

CONTINENTAL TRADING PRICES: AUSTRIA Sch.15; BELGIUM F.25; DENMARK Kr.3.5; FRANCE F.3.4; GERMANY DM.2.8; ITALY L.50; NETHERLANDS F.2.3; NORWAY Kr.3.5; PORTUGAL Esc.20; SPAIN Ptas.40; SWEDEN Kr.3.25; SWITZERLAND Fr.2.0; EIRE 15p

## BUSINESS SUMMARY

**U.S. gold sales to stabilise foreign exchanges**  
BY DAVID BELL, WASHINGTON APRIL 20

The U.S. is to sell nearly two million ounces of gold over the next six months as part of a broad attempt by the Carter Administration to re-establish stability for the dollar in foreign exchange markets and to bolster confidence at home.

The gold sales—300,000 ounces will be auctioned each month and will be reviewed after the first six auctions.

But officials dropped strong hints today that they would continue to sell gold beyond November, although the amounts offered at subsequent sales may vary.

The monthly auctions held by the International Monetary Fund are expected to continue as scheduled until June, 1980.

Mr. Fred Bergsten, the assistant treasury secretary for international affairs, said this morning that the decision to sell gold was "one of a number of steps we are taking to curb inflation."

It would help the dollar and was an important symbol of the Administration's determination to begin the long task of cutting the trade deficit, he said.

Announcement of the gold sales coincides with a sharp rally on Wall Street and some improvement in the dollar's position overseas, prompted by signs that the Federal Reserve is tightening the money supply and that the economy is shaking the effects of the coal strike and the winter.

It will do nothing to dampen speculation that the Carter Administration plans to impose a levy on oil imports after a year of Congressional inaction on the Energy Bill.

The Treasury, in an important signal to the foreign exchange markets and to European and Japanese governments, also said that it is investigating ways in which it may accept payment for gold in Deutschmarks after the first auction on May 23.

The Administration, which has been looking for ways to acquire more Deutschmarks without issuing DM-denominated bonds or similar instruments, which are strongly opposed by Mr. Michael Blumenthal, the Treasury Secretary, and others in the Government.

Central banks and foreign governments will not be allowed to bid for American gold and the American auctions will take place every third Tuesday of the month. The fund will continue to sell its 525,000 ounces on the first Wednesday of each month.

The IMF has been selling gold since June, 1976, and has the option of reviewing its four-year gold sales programme next month.

There was no official comment today from the Fund, but sales are expected to continue until the organisation has sold the 25m. ounces to raise money for a trust fund for developing nations.

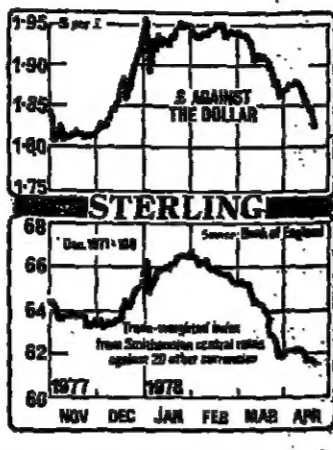
Since the Fund auctions began, the selling price of gold has fluctuated from \$109.40 in September, 1976, to \$189.95 in March this year.

The U.S. has reserved the right to sell gold for some years and has not been happy to see the recent rise in its price.

**Gilts fall as long tap runs out**

GILTS fell in expectation of new tap stock issues today. The long tap ran out, following Wednesday's exhaustion of the short tap. Shorts lost in heavy selling, and longs 1. The Government Securities Index dropped 0.33 to 71.83.

STERLING was considerably weaker due to further strengthening of the dollar. The pound lost 1.95c to \$1.8245, and



its trade-weighted index fell to 61.5 (61.6). Trading was active in the dollar, and its depreciation narrowed to 4.39 per cent. (5.28).

EQUITY leaders lost a few pence in scattered selling. Trading was quiet. The FT ordinary share index closed 6.8 down at 454.8.

WALL STREET was 11.00 up at \$19.04 just before the close. The Paris Bourse, too, rose sharply in response to the Prime Minister's policy statement on fiscal measures.

GOLD (lost \$5) to \$241.1.

U.K. STOCK EXCHANGE concerns are now free to join the European Options Exchange in Amsterdam. Share option trading commences today on the London Stock Exchange. Back Page

PLANS introducing income tax concessions to encourage share participation by employees were launched in the Finance Bill in the Commons, in response to Liberal Party pressure. Back Page

## Sharp rise in spending

CONSUMER spending rose sharply in the first three months of this year, and was at the highest level since early autumn of 1973. Back Page

COAL BOARD expects a profit of between £7m. and £10m. for the 12 months ended on March 31, following output marginally ahead of 1976. Page 7

GREECE, Portugal and Spain should begin cutting back national aid to industry and trimming investment in steel and textiles even before the countries are admitted to the EEC, senior officials of the European Commission have said. Back Page

BRITAIN'S visible trade deficit with the rest of the EEC is probably exaggerated by some hundreds of millions of pounds as a result of the method of calculation, an official analysis says. Page

EEC is to send Mr. Christopher Tugendhat to Japan next month to investigate treatment of foreign banks by the Japanese Monetary Authority. Page 33

SEVERAL North Sea oil companies have warned that they will boycott the sixth round of licensing if new conditions, imposed by the Government, are implemented. North Sea oil review. Page 37

QUEEN'S Awards for Export and Technology have been made to a larger proportion of small companies this year, following a record period of British sales overseas. Back Page 10

BOCM-SILOCOCK has been criticised by the Price Commission, which says that price competition in the animal feed industry is limited. Back Page

## KEY PRICE CHANGES YESTERDAY

Meat in peace unless otherwise indicated		
Butter	177	-4
Brotherhood (P.)	150	-6
Clive Discount	75	-4
Dixor	186	-6
Hawker	262	-8
Lloyds Bank	352	-8
Midland Bank	156	-4
Mothcare	156	-4
Plessey	39	-3
Rayco	171	-7
Turner and Newall	171	-7
Burmah Oil	51	-3
Cons. Gold Fields	167	-3
Cons. Marchison	283	-10
De Beers Ltd.	325	-10
Elandrand	170	-13
Gld. Mines Kalgoolie	48	-7
Libanon	423	-25
Oakbridge	198	-6
RTZ	707	-46
Holsten	286	-13
Union Cyp.	286	-13
West Driefontein	116	-11

## Building Societies urged to restore confidence

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

BUILDING SOCIETIES must act immediately to maintain public confidence in their operations. Mr. Keith Brading, chief registrar of friendly societies, said in London yesterday.

After the exceptional collapse of Gray's Building Society, where £7m. was found to be missing in the death of its chairman, the investing public needed reassurance about standards of security they could expect from the movement.

He told the Metropolitan Association of Building Societies—which represents London building societies—that he believed there were still too many small societies. Unless the movement established voluntarily a compensation fund to deal with future collapses, there would be mounting pressure for legislation to set one up.

"The kind of reassurance that the public has long come to expect from the building society movement needs to be enhanced and reinforced."

"I believe there must, especially among the smaller societies, be an immediate reappraisal of resources for setting up and maintaining in the future the very highest standards of organisation and operation, as well as security."

Any society which could not reach such high standards should seek a merger without delay "in the interests of their members and also of the movement as a whole."

The chief registrar said that there were 334 societies now compared with 455 about five years ago. Many small ones had merged because they could see difficulties ahead and he expected the process to go on.

While the Building Societies Association had acted quickly to assess the extent of the Gray's affair and to provide assurances about people's savings, depositors still could not get their money back.

The call for a compensation fund was likely to be irresistible and when established it should contain provisions to enable early repayments to people affected.

There would be problems in establishing a fund to embrace all building societies, including those outside the association, but they should not be insuperable. The question of a fund and other matters arising from the Gray's affair would be discussed by him, the societies and the Treasury.

## Shell may sue over nuclear deal

BY DAVID FISHLOCK, SCIENCE EDITOR

ROYAL DUTCH SHELL may sue Gulf Oil of the U.S. in an attempt to extricate itself from problems arising from the purchase of Gulf of a half-share in the nuclear company General Atomic in 1973.

A broad hint to this effect is given in Shell's annual report today, where it states that Sealco Nuclear, its U.S. nuclear subsidiary, would take whatever action was appropriate to protect its interests.

Problems have arisen because three of General Atomic's uranium suppliers and three of its customers for nuclear fuel are suing the company in actions which could cost it more than \$500m.

General Atomic is seeking to oblige the three suppliers to provide 30m. lbs of uranium on a terms agreed when the market price was about \$6 per pound. The current price is more than \$40 per pound.

Shell stressed yesterday that the uranium contracts now being contested were signed before it bought its stake in General Atomic.

Since the annual report was printed another supplier, Exxon, has filed a counterclaim against General Atomic, alleging violations of anti-trust law and fraud.

General Atomic has agreed to the sale of about 25m. lbs. of uranium to nine U.S. utilities at prices totalling about \$350m.

Shell acknowledges in its annual report that the issues involved are "complex and unusual by the standards of ordinary litigation," but says that their resolution will not result in a loss that necessitates any financial provisions.

This contrasts with the Gulf annual report last month, which the accountants qualified with the statement that they were "unable to conclude on the possible effects, if any, on the company's consolidated financial statements of the resolution of Last month General Atomic lost an action in New Mexico where a court found in favour of United Nuclear, which had asked to be excused from supplying General Atomic with 22m. lbs of uranium.

The principal reason for the judgement was that General Atomic had concealed from the court facts about the uranium cartel in which Gulf had allegedly participated.

Shell denies opting out, Page 9

Shell annual report, Page 36

## Dollar up sharply on news of auction

BY MICHAEL BLANDEN

THE DOLLAR rose sharply yesterday and the gold price dropped in the initial market reaction to the news of the U.S. plans for sale of the metal.

In active trading the dollar met strong demand and gained against all the leading European currencies. The U.S. moves on gold, coupled with signs of a tightening of monetary policy by the Federal Reserve, encouraged new confidence in the dollar which had begun to show some recovery in the past few days.

The gold price dropped by \$31 an ounce to \$1681, its lowest closing level since early January, as a result of the announcement.

South African gold shares also fell to their lowest levels



since the beginning of the year in response to the fall in the dollar price, with the Financial Times Gold Mines Index losing 6.4 points to 134.7.

The improvement in the dollar was reflected in further pressure on the pound, with the Bank of England again having to intervene to support the exchange rate. In spite of the official help, sterling with loss of 1.95 per cent. at \$1.8245, while its trade-weighted index against a basket of currencies slipped from 61.6 to 61.5.

This was the lowest level of the index since late July, and represented a fall of 7.3 per cent. from the peak of 66.7 early in February.

The dollar rose against the West German Mark to DM 2.0775 compared with DM 2.0480 on the previous day, and against the Swiss franc to Sw.fr.1.9725 against Sw.fr.1.9170. The trade-weighted average depreciation of the dollar calculated by Morgan Guaranty narrowed from 5.38 per cent. to 4.39 per cent.

	April 19	Previous
1 month	\$1.8278-8588	\$1.8436-8446
3 months	0.40-0.36 lib.	0.46-0.35 lib.
12 months	0.50-0.70 lib.	0.25-0.70 lib.

## U.S. broker drops bid for Lloyd's firm

BY JOHN MOORE

LOYD'S OF LONDON's ruling-barring Marsh and McLennan this week that no outside insurance interest may normally hold more than 20 per cent. of the equity of a Lloyd's broker has sparked a major controversy in the international insurance community.

One immediate result is that Frank B. Hall, the American insurance broker, is not proceeding with his bid for Lloyd's broker Leslie and Godwin.

Hall, the third biggest quoted broker in the U.S. is angered by the decision, and Mr. Albert J. Tahmoussi, its chairman and chief executive, has flown to London to discuss the matter with Mr. Ian Findlay, chairman of Lloyd's.

A preliminary meeting is arranged for this morning.

Hall places over \$300m. of premium in the London insurance market, mainly through Lloyd's broker Bland Payne and Sedgwick, Forbes, where Mr. Findlay was once the chairman.

Mr. Tahmoussi said yesterday: "If the merger of Frank B. Hall and Leslie and Godwin had taken place there would have been a greater incentive for us to place more business in London."

"We now wonder whether there is any compelling reason for putting the same volume of business in London let alone increase it. The decision will diminish our enthusiasm for bringing our premiums to London."

There is a growing feeling among the interested parties that Lloyd's has declared war on overseas brokers. Lloyd's was quick to re-emphasise yesterday that its decision was not a "jingoistic" one just trying to establish some control in the market.

Mr. Findlay said yesterday: "The working party that framed the recommendations was at pains to eliminate all issues of nationality or place of residence. We are quite happy for outside interests to invest in Lloyd's brokers, but there should not be a controlling interest."

In New York there was disappointment at Lloyd's ruling had not voted.

Mr. John Regan, chairman of Marsh and McLennan, said: "It's an unfortunate act on the part of Lloyd's."

In a brief statement yesterday Leslie and Godwin said that it had been informed by Hall "that in view of the statement released by the Committee of Lloyd's on April 19 in connection with the admission of Lloyd's brokers, Hall does not now intend to proceed with the possible offer referred to in the announcement of April 11. Hall is, however, considering what further action might be appropriate."

The bid for Leslie, if it had gone through, could have produced an offer of over £18m. Leslie and Godwin's shares which were suspended at 85p, resumed trading at 85p and after reaching 91p closed at 80p.

Asked whether Marsh and McLennan or Hall would be accepted for admission as a Lloyd's broker in the usual way, Mr. Findlay said: "Since it is necessary before seeking admission to be a registered broker in the U.K. any foreign broker would have to create a U.K.-based subsidiary."

"In turn, that subsidiary would be controlled by its parent overseas and therefore would be defined as an outside insurance interest, whose interests should not be more than 20 per cent. in a Lloyd's broker. So there is little likelihood that admission would be granted in those circumstances."

Mr. Findlay also explained that those members of the 16-strong Committee of Lloyd's who might be thought to have had a close interest in the outcome of Wednesday's six-hour meeting had not voted.

## Rise of 14% for Forces

BY RICHARD EVANS, LOBBY EDITOR

THE CABINET yesterday agreed a package deal for the armed forces that will give pay rises amounting to nearly 14 per cent. A statement will be made to the Commons next week.

The special formula, hammered out following signs of increasing disillusion in the forces on the level of pay compared with civilian occupations, involves a 10 per cent increase in line with the Government's pay guideline.

A further element is included of around 4 per cent. to cover special conditions of service life including danger and availability for round-the-clock duties.

Ministers have been alarmed at the numbers of officers and other ranks who are leaving or threatening to leave the services, and there are already signs that MPs will not regard 14 per cent. as sufficient to restore morale.

Mr. Winston Churchill, an opposition defence spokesman, said in the Commons that if members of the armed forces were to receive a pay increase of less than 30 per cent. it would "merely be perpetuating an already grave injustice."

Doctors and dentists' pay was Continued on Back Page

## BELL'S SCOTCH WHISKY

the Scotch of the year and every year since 1825



ARTHUR BELL & SONS LTD., ESTABLISHED 1825 AND STILL AN INDEPENDENT COMPANY

## CONTENTS OF TO-DAY'S ISSUE

European news	2-3	Technical page	13	Int'l. Companies	32-34
American news	4	Management page	19	Enormous	33, 34
Overseas news	5	Arts page	21	Wall Street	35
World trade news	6	Leader page	22	Foreign Exchanges	36
Home news-general	7, 8, 9	U.K. Companies	24, 28, 30	Farming, raw materials	39
Labour	11	Mining	28	U.K. stock market	40
Parliament	12				

## FEATURES

Gold: The Americans try to kill the golden calf	22	Cleaning up after the Amoco Cadiz	2	Why Aldeburgh is looking to the City	19
Politics: Today: How the Left came to love Carter	23	Namibia: A small gap divides the sides	5	Around Britain: Corby running to a standstill	20
The crumbling political violence in Turkey	2	U.S. pressure on IMF and World Bank employees	14	North Sea Oil Review: Sixth round alarm bell	37

Appointments	35	LEX	44	TV and Radio	20	East Asiatic	37
Appointments Adv.	36	Lombard	45	Unit Trusts	21	Friends Provident	28
Around Britain	37	Men and Money	26	Weather	41	Granger Bldg. Sec.	37
Business for sale	38	Money Market	27	Basic Lending Rates	41	Legal and General	24
Creditors	39	Property	16-18	2. Yearly	42	Ocean Transport	27
Entertainment Guide	40	Rachis	2	Share Information	43	Rockware Group	30
Extraordinary Ex.	41	Salesmen	3	Share Blanks	44	Solire Pacific	30
Food Prices	42	Share Information	43	Stock Exch. Reports	45	Wills Faber	29
FT-Authorities Index	43	To-day's Events	46				
Letters	47						

## Notice of Redemption

## International Standard Electric Corporation

6% Sinking Fund Debentures Due 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of May 15, 1967, under which the above described Debentures were issued, \$4,480,000 principal amount of the said Debentures of the following distinctive numbers has been drawn by lot for redemption on May 15, 1978 (the "sinking fund redemption date") through the operation of the Mandatory Sinking Fund and Optional Sinking Fund provisions at 100% of the principal amount thereof (the "redemption price"), together with accrued interest to the redemption date:

## \$4,480,000 DEBENTURES BEARING THE PREFIX LETTER M

18	1398	2465	3557	4881	6457	7614	8563	9997	11306	13452	14501	16880	19537	20853	21349	23813	25990	28045	29885	31578	32584	33670
20	1405	2471	3563	4891	6467	7624	8573	9999	11308	13453	14502	16881	19538	20854	21350	23814	25991	28046	29886	31579	32585	33671
22	1412	2478	3570	4902	6478	7631	8580	10000	11309	13454	14503	16882	19539	20855	21351	23815	25992	28047	29887	31580	32586	33672
24	1419	2485	3577	4913	6489	7638	8589	10001	11310	13455	14504	16883	19540	20856	21352	23816	25993	28048	29888	31581	32587	33673
26	1426	2492	3584	4924	6499	7645	8590	10002	11311	13456	14505	16884	19541	20857	21353	23817	25994	28049	29889	31582	32588	33674
28	1433	2499	3591	4935	6509	7652	8591	10003	11312	13457	14506	16885	19542	20858	21354	23818	25995	28050	29890	31583	32589	33675
30	1440	2506	3598	4946	6519	7659	8592	10004	11313	13458	14507	16886	19543	20859	21355	23819	25996	28051	29891	31584	32590	33676
32	1447	2513	3605	4957	6529	7666	8593	10005	11314	13459	14508	16887	19544	20860	21356	23820	25997	28052	29892	31585	32591	33677
34	1454	2520	3612	4968	6539	7673	8594	10006	11315	13460	14509	16888	19545	20861	21357	23821	25998	28053	29893	31586	32592	33678
36	1461	2527	3619	4979	6549	7680	8595	10007	11316	13461	14510	16889	19546	20862	21358	23822	26000	28054	29894	31587	32593	33679
38	1468	2534	3626	4990	6559	7687	8596	10008	11317	13462	14511	16890	19547	20863	21359	23823	26001	28055	29895	31588	32594	33680
40	1475	2541	3633	5001	6569	7694	8597	10009	11318	13463	14512	16891	19548	20864	21360	23824	26002	28056	29896	31589	32595	33681
42	1482	2548	3640	5012	6579	7701	8598	10010	11319	13464	14513	16892	19549	20865	21361	23825	26003	28057	29897	31590	32596	33682
44	1489	2555	3647	5023	6589	7708	8599	10011	11320	13465	14514	16893	19550	20866	21362	23826	26004	28058	29898	31591	32597	33683
46	1496	2562	3654	5034	6599	7715	8600	10012	11321	13466	14515	16894	19551	20867	21363	23827	26005	28059	29899	31592	32598	33684
48	1503	2569	3661	5045	6609	7722	8601	10013	11322	13467	14516	16895	19552	20868	21364	23828	26006	28060	29900	31593	32599	33685
50	1510	2576	3668	5056	6619	7729	8602	10014	11323	13468	14517	16896	19553	20869	21365	23829	26007	28061	29901	31594	32600	33686
52	1517	2583	3675	5067	6629	7736	8603	10015	11324	13469	14518	16897	19554	20870	21366	23830	26008	28062	29902	31595	32601	33687
54	1524	2590	3682	5078	6639	7743	8604	10016	11325	13470	14519	16898	19555	20871	21367	23831	26009	28063	29903	31596	32602	33688
56	1531	2597	3689	5089	6649	7750	8605	10017	11326	13471	14520	16899	19556	20872	21368	23832	26010	28064	29904	31597	32603	33689
58	1538	2604	3696	5100	6659	7757	8606	10018	11327	13472	14521	16900	19557	20873	21369	23833	26011	28065	29905	31598	32604	33690
60	1545	2611	3703	5111	6669	7764	8607	10019	11328	13473	14522	16901	19558	20874	21370	23834	26012	28066	29906	31599	32605	33691
62	1552	2618	3710	5122	6679	7771	8608	10020	11329	13474	14523	16902	19559	20875	21371	23835	26013	28067	29907	31600	32606	33692
64	1559	2625	3717	5133	6689	7778	8609	10021	11330	13475	14524	16903	19560	20876	21372	23836	26014	28068	29908	31601	32607	33693
66	1566	2632	3724	5144	6699	7785	8610	10022	11331	13476	14525	16904	19561	20877	21373	23837	26015	28069	29909	31602	32608	33694
68	1573	2639	3731	5155	6709	7792	8611	10023	11332	13477	14526	16905	19562	20878	21374	23838	26016	28070	29910	31603	32609	33695
70	1580	2646	3738	5166	6719	7799	8612	10024	11333	13478	14527	16906	19563	20879	21375	23839	26017	28071	29911	31604	32610	33696
72	1587	2653	3745	5177	6729	7806	8613	10025	11334	13479	14528	16907	19564	20880	21376	23840	26018	28072	29912	31605	32611	33697
74	1594	2660	3752	5188	6739	7813	8614	10026	11335	13480	14529	16908	19565	20881	21377	23841	26019	28073	29913	31606	32612	33698
76	1601	2667	3759	5199	6749	7820	8615	10027	11336	13481	14530	16909	19566	20882	21378	23842	26020	28074	29914	31607	32613	33699
78	1608	2674	3766	5210	6759	7827	8616	10028	11337	13482	14531	16910	19567	20883	21379	23843	26021	28075	29915	31608	32614	33700
80	1615	2681	3773	5221	6769	7834	8617	10029	11338	13483	14532	16911	19568	20884	21380	23844	26022	28076	29916	31609	32615	33701
82	1622	2688	3780	5232	6779	7841	8618	10030	11339	13484	14533	16912	19569	20885	21381	23845	26023	28077	29917	31610	32616	33702
84	1629	2695	3787	5243	6789	7848	8619	10031	11340	13485	14534	16913	19570	20886	21382	23846	26024	28078	29918	31611	32617	33703
86	1636	2702	3794	5254	6799	7855	8620	10032	11341	13486	14535	16914	19571	20887	21383	23847	26025	28079	29919	31612	32618	33704
88	1643	2709	3801	5265	6809	7862	8621	10033	11342	13487	14536	16915	19572	20888	21384	23848	26026	28080	29920	31613	32619	33705
90	1650	2716	3808	5276	6819	7869	8622	10034	11343	13488	14537	16916	19573	20889	21385	23849	26027	28081	29921	31614	32620	33706
92	1657	2723	3815	5287	6829	7876	8623	10035	11344	13489	14538	16917	19574	20890	21386	23850	26028	28082	29922	31615	32621	33707
94	1664	2730	3822	5298	6839	7883	8624	10036	11345	13490	14539	16918	19575	20891	21387	23851	26029	28083	29923	31616	32622	33708
96	1671	2737	3829	5309	6849	7890	8625	10037	11346	13491	14540	16919	19576	20892	21388	23852	26030	28084	29924	31617	32623	33709
98	1678	2744	3836	5320	6859	7897	8626	10038	11347	13492	14541	16920	19577	20893	21389	23853	26031	28085	29925	31618	32624	33710
100	1685	2751	3843	5331	6869	7904	8627	10039	11348	13493	14542	16921	19578	20894	21390	23854	26032	28086	29926	31619	32625	33711
102	1692	2758	3850	5342	6879	7911	8628	10040	11349	13494	14543	16922	19579	20895	21391	23855	26033	28087	29927	31620	32626	33712
104	1699	2765	3857	5353	6889	7918	8629	10041	11350	13495	14544	16923	19580	20896	21392	23856	26034	28088	29928	31621	32627	33713
106	1706	2772	3864	5364	6899	7925	8630	10042	11351	13496	14545	16924	19581	20897	21393	23857	26035	28089	29929	31622	32628	33714
108	1713	2779	3871	5375	6909	7932	8631	10043	11352	13497	14546	16925	19582	20898	21394	23858	26036	28090	29930	31623	32629	33715
110	1720	2786	3878	5386	6919	7939	8632	10044	11353	13498	14547	16926	19583	20899	21395	23859	26037	28091	29931	31624	32630	33716
112	1727	2793	3885	5397	6929	7946	8633	10045	11354	13499	14548	16927	19584	20900	21396	23860	26038	28092	29932	31625	32631	33717
114	1734	2800	3892	5408	6939	7953	8634	10046	11355	13500	14549	16928	19585	20901	21397	23861	26039	28093	29933	31626	32632	33718
116	1741	2807	3899	5419	6949	7960	8635	10047	11356	13501	14550	16929	19586	20902	21398	23862	26040	28094	29934	31627	32633	33719
118	1748	2814	3906	5430	6959	7967	8636	10048	11357	13502	14551	16930	19587	20903	21399	23863	26041	28095	29935	31628	32634	33720
120	1755	2821	3913	5441	6969	7974	8637	10049	11358	13503	14552	16931	19588	20904	21400	23864	26042	28096	29936	31629	32635	33721
122	1762	2828	3920	5452	6979	7981	8638	10050	11359	13504	14553	16932	19589	20905	21401	23865	26043	28097	29937	31630	32636	33722

## Mixed reception for Barre's economic policy

BY ROBERT MAUTHNER

PARIS, April 20.

THE FRENCH Government's programme, presented by M. Raymond Barre, the Prime Minister, to the National Assembly yesterday, has been met with a mixed reception from industry and the trade unions. The most positive reaction has come from the Patronat, the employers' federation, which welcomed M. Barre's promises that industrial prices will be freed progressively. But even the Patronat stressed that progressively could be interpreted in many ways and reserved its position until more details had been given by the Government. Both sides of industry commented favourably on the Prime Minister's statement that the Government intended to implement its social policies only after full consultations with the unions and other representative economic groups. M. François Ceyrat, the president of the Patronat, said today after a two-hour meeting with M. Barre, that the employers were ready to open wide-ranging negotiations with the unions next month. The daily newsletter published by the Gaullist RPR party said the Government had failed to propose an effective employment policy. M. Barre continued to adopt the view that unemployment was an unavoidable disease which had to be treated, instead of giving priority to the complete removal of unemployment.

## Three measures to assist French private industry

BY DAVID WHITE

PARIS, April 20.

THREE SPECIFIC measures aimed to help French industrial enterprises in the private sector strengthen their financial muscle are included in the programme announced yesterday by M. Raymond Barre, the Prime Minister. For the first time, the Government has given the go-ahead for the issue of preference shares, based on practice in many other Western countries. The introduction of non-voting stock, which has been sought by representatives of private industry, is aimed mainly at small and medium-sized companies which have been reluctant to raise money on the stock market for fear of losing financial control of their activities. Preference stock will, and is the normal practice, bear a guaranteed dividend. A further proposal which has been widely welcomed in stock market circles is for extra tax

austerity policies and implied more sacrifices on the part of the workers. Even the Socialist-oriented CFTD, whose leader M. Edmond Maire, has adopted a more conciliatory attitude towards M. Barre since last month's general election, issued a remarkably scathing statement. "The Government intends to pursue an economic policy which, up to now, has proved incapable of resolving any of the serious problems posed by the crisis," the union's statement said. It could lead only to more unemployment and higher inflation. Some of the criticisms echo those made in the National Assembly yesterday by M. François Mitterrand, the Socialist leader. The Gaullists, too, have expressed reservations about M. Barre's programme, though they made clear that they would support the Government in the vote of confidence for which it has asked.

The daily newsletter published by the Gaullist RPR party said the Government had failed to propose an effective employment policy. M. Barre continued to adopt the view that unemployment was an unavoidable disease which had to be treated, instead of giving priority to the complete removal of unemployment.

## New hope for Moro after Red Brigades' bulletin

BY DOMINICK J. COYLE

THE HEADLINE across the top of the Rome daily newspaper *la Messaggera* today summarises accurately the present mood of the country, and particularly of the political parties over the kidnapping of Sig. Aldo Moro. Bold type across eight columns proclaimed: "Doubts, Anguish, Hope."

The hope was raised this afternoon with news of yet another communique purportedly from the Red Brigades group which claims to hold the former Prime Minister. Its authenticity has still to be established, if possible, by Interior Ministry experts.

An earlier communique on

Tuesday announced that Sig. Moro had died "through suicide," and that his body could be found in a lake on the borders of the Abruzzi and Lazio regions north-east of Rome. Today's communique says that this information is false and, by implication, at least, was not issued by any Red Brigades faction.

Today's message also claims, again, in part by implication, that Sig. Moro will be released if the Italian Government frees Communist prisoners within 48 hours from 3 pm this afternoon. The prisoners are not named, but are assumed to be people on trial in Turin on a range of charges, including subversion against the State. They include Sig. Renato

Curcio, said to be the founder of the Red Brigades, but whose influence over the terrorists' activities must now be marginal, if only because he has been in prison awaiting trial for nearly two years.

Yet by all accounts it was Sig. Curcio, through his lawyer, who first threw cold water on the accuracy of communique number seven which announced the dumping of Sig. Moro's body. He is said to have greeted news of it with laughter, and subsequently, with an expression of interest as to who might have written it.

Today's communique suggests that the false trail could even have been the work of Sig. Giulio Andreotti, the Prime

Minister, and his associates — a carefully-prepared innuendo to plant the notion that the authorities might be fishing in very muddy waters indeed.

Elsewhere such a suggestion might sound incredible but in Italy it could gain credence. During tension in the late 1960s, left-wingers were initially accused of planting bombs in Milan's Piazza Fontana, whereas the trial of that incident, still continuing after more than eight years, has already thrown up the real prospect that elements in the security services were involved.

What the Red Brigades have demonstrated is an ability to throw the State and its institutions into disorder, if not go to work, almost a carbon-

copy of a murder in Turin against the "bourgeois State" the terrorists are clearly winning, at least in the short term. Sig. Francesco Cossiga, the harassed Interior Minister, insists that the State will not be intimidated, but he has repeated this phrase on at least half-a-dozen occasions in as many months.

Meanwhile, a prison guard was shot dead in Milan yesterday morning as he left his home to go to work, almost a carbon-

copy of a murder in Turin against the "bourgeois State" the terrorists are clearly winning, at least in the short term. Sig. Francesco Cossiga, the harassed Interior Minister, insists that the State will not be intimidated, but he has repeated this phrase on at least half-a-dozen occasions in as many months. Meanwhile, a prison guard was shot dead in Milan yesterday morning as he left his home to go to work, almost a carbon-

## Azores riot leaves 13 injured

By Our Own Correspondent

LISBON, April 20.

TWO RIOT policemen and 11 civilians were injured early today in clashes between demonstrators and specially reinforced security forces on the Atlantic island of the Azores, a Portuguese territory.

The incidents allegedly occurred between members of the illegal FLA Separatist movement and riot squads guarding the airport before the departure of two top Government ministers for Lisbon.

The police said they charged a group of a few hundred stone throwing demonstrators and arrested five of them. This followed police accusations that demonstrators had started shooting and had blown up an official car.

A NATO report from the Azores said about 1,000 people massed in front of police headquarters in Ponta da Moura, a central government order.

The report also said that local unions and other organisations were studying on appeal for a general strike on the island to protest, against the latest tensions. The atmosphere on the Azores archipelago has worsened since the week-end when Dr. Antonio Almeida Santos, the deputy Prime Minister, was beaten up by the Separatist.

The situation has turned into a test of strength between the Socialist dominated central Government and its chief political opposition the Social Democrats which rule the autonomous Azores islands. While the Social Democrats have officially renounced the Separatist movement, Government circles here maintain there are too many informal links between the break-away movement and the local administration.



U.S. Secretary of State Cyrus Vance (left) with Soviet Foreign Minister Andrei Gromyko in Moscow yesterday. On Mr. Gromyko's left is Mr. Anatoly Dobrynin, Soviet Ambassador to the United States.

## Vance and Gromyko call for progress in SALT

BY DAVID SATTER

MOSCOW, April 20.

MR. CYRUS VANCE, the U.S. Secretary of State, and Mr. Andrei Gromyko, the Soviet Foreign Minister, concluded their first round of Strategic Arms Limitation Talks this morning and afterwards stressed their desire for progress in the negotiations.

The two men met for almost three hours, along with members of the respective Soviet and U.S. negotiating teams, and at a lunch following the meeting, each proposed a toast affirming his country's desire to reach a new SALT treaty.

The two sides are not expected to reach final agreement during Mr. Vance's present visit, which is to last until Sunday, but if there is progress in the talks, the way could be prepared for a visit next month by Mr. Gromyko to New York for the signing of a new SALT pact at a Soviet-U.S. summit later this year.

There is general agreement that a new treaty is 90 per cent. complete but several difficult

issues remain. These are considered to be the question of Cruise missiles for Western Europe, limits on the Soviet Backfire bomber, which has become a political issue in the U.S., and the question of limits on modernisation of missiles and on the development of new intercontinental Ballistic Missile systems (ICBMs).

Mr. Vance is known to hope that his visit, which will include negotiating sessions this evening, to-morrow and possibly Saturday, will demonstrate that the two super-powers can settle their differences through negotiations, although the U.S. position remains that concessions will be necessary from both sides for the talks to succeed.

There has been progress in the negotiations. The issue of the U.S. Cruise missile, which was once regarded as the most difficult in the talks, now appears to be all but resolved.

Mr. Vance arrived in Moscow last night.

## £18m. EEC nuclear safety plans

By David Buchanan

BRUSSELS, April 20.

IN A MOVE hailed here as the first fruits of the EEC's recent nuclear hearings the EEC Commission has decided to ask national Ministers to approve two new nuclear safety programmes, costing £18.7m., over five years. Half would come from the EEC Budget, and half from governments and companies.

One of the research programmes would study how to take safely out of service a nuclear plant that has come to the end of its life. This, say EEC officials, is a problem that has received scant attention, even though there are now 20 reactors in the U.S. and Western Europe that are due to be decommissioned. Five are in the EEC—two each in France and West Germany, and the Dourres fast reactor in Scotland.

The other safety programme concerns the light-water reactor—the most common type—the Community—and is designed to complement work being done at the four joint European research centres.

European Court of Justice today declared the 12 per cent. tax imposed by France on Italian wines during the 1975-76 "wine war" to have been illegal under Common Market law.

Some 30 French importers of Italian wine resorted to the French courts to seek reimbursement of the tax which was levied from September, 1976, to March, 1978. To-day's ruling bears on two of these cases passed on to European Court for an opinion, but will obviously have an effect on the rest of the pending cases.

## Bonn will seek joint action over energy

BY ADRIAN DICKS

BONN, April 20.

WEST GERMANY intends to place a high priority on the formulation of a joint energy policy, and specifically a common policy for the coal industry, during its six-month presidency of the European Community during the second half of this year, Count Otto Lambsdorff, the Economics Minister, told the Bundestag today.

Opening a debate on West German energy policy, he stressed the far greater weight of the U.S. as a consumer of energy, and made clear that Bonn intends to use the opportunity of the July summit here to urge the Carter Administration once again to enact energy-saving measures.

The starting point for Community efforts to build a common energy policy, according to the German Minister, must be a domestic policy by each of the member governments to show their hand and to co-ordinate what they do. The Community must also maintain a unanimous position towards the better insulation of buildings.

## Japan-USSR fish pact

BY OUR OWN CORRESPONDENT

MOSCOW, April 20.

JAPAN AND the Soviet Union today reached agreement on a new long-term fishing pact to govern fishing rights in the waters outside the countries' respective 200 miles zones.

The new agreement, which was negotiated by Mr. Ichiro Nakagawa, Japan's Forestry and Agriculture Minister, and Mr. Alexander Ishkov, the Soviet Fisheries Minister, calls for a more than 30 per cent. reduction in the allowable Japanese

salmon and trout catch. Under the agreement, which replaces a 1966 convention on fishing in the north-west Pacific, Japan may catch 42,500 tonnes of salmon and trout from waters outside the Soviet 200-mile zone compared with 39,500 tonnes taken last year and must pay a 4.5 per cent. tax to the Soviet Union on the value of the catch.

Financial Times published daily except Sundays and holidays. U.S. subscription \$200.00 per annum. Second class postage paid at New York, N.Y.

# If it stops, you stop.



It's dangerously easy to take your company's lift trucks for granted. Until one stops—and gives all or part of your company instant circulatory failure.

For if a lift truck stops, materials-flow stops. And vital parts of your business can stop, too.

If there's one lift truck company that's designed its products and its back-up operations to guard against stoppages, it's Lansing.

First, Lansing make the largest lift truck range in Britain and Europe: standard and specialist, electric and engine-powered; and from small pallet trucks to 40-tonne capacity. So your Lansing truck is just right for its job—which increases its natural dependability.

Then, simple preventative-maintenance programmes and thorough driver-training help keep Lansing trucks fully operational, year after year.

And finally, if anything *should* go wrong, Lansing's "Fail-Safe" product support system is right at your elbow.

For there are 13 fully-equipped Lansing Depots throughout Britain. Their teams of skilled Service Engineers make up Britain's largest lift truck servicing organisation—nearly 600 Engineers nation-wide. And the parts availability level in Lansing Depots averages 90%—Britain's highest. All reasons why 80% of Lansing sales today are to satisfied existing customers.

But don't take our claims for granted. Ask your local Lansing man around. Put him through it.

Demand proof of how Lansing keeps its trucks highly productive, year after year. Whether you buy, rent or lease them.

For Lansing product quality and Lansing product support are specially aimed at stopping stoppages. Before they even start.

## LANSING

BAGNALL HENLEY

We do more for you

General Enquiries: Basingstoke: 0256 3131, Depts: Bournemouth: 0385 770813.  
Bristol: 01752 712361, East Hillside: 0353 32 73601, East London: 01 357 33940.  
Edinburgh: 0753 882631, Enfield: 01 854 7474, Kingston: 01 546 235 351.  
Leeds: 011 558 4681, Leeds: 0532 330231, Penrith: 016 44 75141.  
Redditch: 0527 28116, Warrington: 0925 51177.

## AMERICAN NEWS

## Brazil sea pollution spreads

By Diana Smith

RIO DE JANEIRO, April 20. THE DEATH of a labourer who had been working on a jetty near Harmengildo Beach in the far south of Brazil—focal point of toxic chemical pollution which has plagued the area for three weeks—has added new urgency to research for the origins of the toxicity.

Mr. Elmo Molina was one of four people admitted to hospital last week, suffering from severe vomiting and violent headaches. An autopsy is being performed.

The pollution first washed thousands of dead fish and shellfish on to the Atlantic shore, near the Uruguay border.

After traces of mercury, propylene and ethylenamine were found, a ban was placed on fishing in the southern state of Rio Grande do Sul. These chemicals were thought to have leaked from a 1971 shipwreck.

However, traces of sulphur compounds, powerful fungicides and unusual activity of algae indicate that other factors may be involved, including a variant of the discoloration of sea water caused by abnormal reproduction of toxic algae.

The pollution has now spread hundreds of miles northwards up the coast. Numerous residents are complaining of burning in the lungs.

Yesterday, thousands of dead deep-sea fish surfaced near the port of Santos in São Paulo state. No link has yet been established, but this new phenomenon has increased fears of a huge ecological disaster.

## Carter shores up tax reform package

BY DAVID BELL

PRESIDENT Carter moved today to shore up support for his tax reform package, which includes a \$25bn. tax cut, in the face of mounting evidence that the whole scheme may be scrapped by the powerful House Ways and Means Committee.

The Administration is arguing that the tax cut is necessary to support continued economic expansion next year, but that it must also be accompanied by a range of fairly modest tax reforms.

So far, the committee has emasculated most of the individual changes it has considered, and most of those remaining are not expected to survive.

Mr. Carter is thus faced with a difficult dilemma. He can cut

his losses and press the committee to go ahead with the tax cut on its own, or he can withdraw the whole Bill and that would inevitably be regarded as a major defeat. Mrs. Juanita Kreps, the Commerce Secretary, told another congressional committee yesterday that to drop the stimulus in the package could cause the economy to falter and put up unemployment.

The President's difficulties are compounded by the political divisions inside the Ways and Means Committee. Mr. Ullman said this morning, "The President feels his targets for cuts are a little high. I think they are a little high." He said that he would like to see an overall

reduction of about \$30bn. "the people would like to have less deficits and less cuts."

But there is also a strong body of opinion inside the committee in favour of scrapping the whole Bill on the grounds that, without some reforms, it would be better for the Administration to re-examine the whole question.

Meanwhile, Republican members of the committee are for the moment unable to decide between the politically attractive option of embarrassing the Administration by helping to kill the Bill, and the alternative that they might help to keep it alive by proposing even larger tax cuts and new investment incentives.

"If this Bill turns from a 'no reform' Bill into a 'Christmas tree' Bill, then I will vote to kill the whole thing," one Congressman was quoted as saying today. So far, only one of the President's reform measures has passed the committee—it would end tax deduction for state and local petrol taxes. But proposals to repeal deductions for some local taxes, to limit medical deductions and to crack down on tax shelters have all been swept aside.

At the same time, and to the despair of those lobbying for the reforms, the committee has voted to allow a separate deduction for gifts to charity, even by taxpayers who do not itemise such deductions. This could cost the Treasury as much as \$3.6bn.

## Cuba talks for leader of Ethiopia

By Hugh O'Shaughnessy

COLONEL Mengistu Haile-Mariam, the Ethiopian head of state, is soon to pay an official visit to Cuba, where he is likely to be publicly assured of continuing Cuban support. According to Reuters, the visit should start in the next few days.

Col. Mengistu met President Fidel Castro last year when the latter visited the Horn of Africa and tried in vain to reconcile the Ethiopian and Somali leaders. Main topics for the talks in Cuba will be the situation in the Ogaden region of Ethiopia, after the repulsion of the Somali invasion with Cuban help, and the Eritrean problem.

Despite western intelligence reports that Cuba has committed reinforcements to Ethiopia, which is defending those areas of Eritrea which have not fallen to secessionist guerrillas, Cuban forces do not seem to have been involved in any drive to roll back the guerrillas. The Cuban official position, announced in February, still appears to be that the Ethiopians and Eritreans should settle their differences within the framework of an undivided Ethiopia led by a Left-wing government.

The Ethiopian leader's visit to Havana is likely to fix the future pattern of the co-operation of the Addis regime with Cuba.

## Vote to reduce airline controls

BY JOHN WYLES

NEW YORK, April 11

A VITAL STEP towards reducing the regulation of the U.S. airline industry was taken last night by the Senate which voted 83 to nine in favour of reforming a 40-year-old system of government control.

Hailed by President Carter as "an important step in the fight against inflation," the Senate vote means that attention will now focus on the House of Representatives where similar legislation is being drafted.

The Administration may have a tougher political battle in getting the legislation through the lower house intact because the airline industry is by no means enamoured of all its provisions.

In essence, the Senate Bill would drastically reduce the regulatory role of the Civil Aeronautics Board which in the past year has been laying the ground for a most sharply competitive era of domestic air fares and route competition.

The legislation would allow carriers to enter new markets with little interference from the CAB and to raise and lower fares with much greater freedom on routes where airlines are in competition.

Airlines would be allowed to serve one new route in 1979 and another in 1980, and then two new routes in each of the following three years. They could also raise fares up to 5 per cent a year and reduce them by up to

35 per cent a year without CAB permission.

The Bill differentiates between large and small carriers, offers the former no protection against a competitive challenge on their routes. However, smaller carriers can design three of their routes as protected services for a period of three years.

The CAB will be asked to report to Congress every year on state of competition within the industry and will have a agency powers to intervene if it decides that serious dislocation being caused to the industry. Senatorial fear that such communities might be derestricted through airlines competition has been allayed by a 10-year guarantee of essential service class over the next 10 years of community now being served.

Passage of the legislation followed last week's proposal the CAB to allow airlines reduce their fares up to 50 per cent without CAB interference. This could become effective in the year after approval. Time has elapsed for public comment.

U.S. COMPANY NEWS

A. & P. profits down, Alcoa and Alcoa well ahead. In Steel strong first quarter. Page 32

## Strauss announces three-pronged attack on inflation

BY OUR OWN CORRESPONDENT

WASHINGTON, April 20.

MR. ROBERT STRAUSS, recently appointed to head the Administration's anti-inflation programme, has characteristically wasted little time in getting down to work.

Yesterday, he went to Pittsburgh for a series of meetings with steel company executives. Later, in an interview with the Washington Post (whose chief political reporter he took with him), he outlined his immediate targets in the war on inflation.

Mr. Strauss said his first three targets are the Teamsters' Union, which said after the miners' strike that it wanted a wage settlement like that

awarded to miners, the Postal Workers' Union, which begins new contract talks today, and the Environmental Protection Agency (EPA).

The selection of this last body is a classic piece of Strauss strategy. For many months, the business community has been citing the cost of meeting the myriad federal regulations, particularly those about the environment, as a major contributor to inflation.

Mr. Strauss said he had already met the head of the ERA and asked him to come up with some regulatory changes that might have an immediate effect

on business costs.

No better symbol could have been selected and no better place in which to announce it than in Pittsburgh where steel companies and others have spent many millions of dollars to meet anti-pollution requirements laid down by Washington.

Mr. Strauss was loath to set specific targets in his drive against inflation but said that, to start with, his aims were relatively modest and that the Administration wants to "chip away" at wage and price levels.

But he made it clear he will fight any attempt to make the miners' three-year 37 per cent contract a model for other

unions.

His intervention has not been welcomed by the U.S. labour movement which fully appreciates his formidable powers of persuasion. Mr. George Meany, head of the AFL-CIO, would probably support him in the end, he said, for fear that he might be able to persuade Congress to accept something that the unions would like even less.

Meanwhile, the President was expected to meet later today the chief executives of 16 major corporations to try to enlist their support in the anti-inflation campaign. A similar meeting is planned later with labour leaders.

## C.E. Heath double invisible earnings over 3 years to gain The Queen's Award for Export Achievement

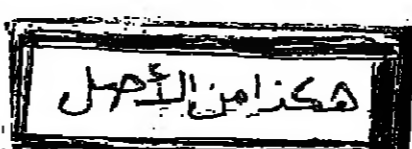


Our award comes from channelling insurance and reinsurance premiums through the London market from clients all over the world. The results are good for the C. E. Heath Group. More important, they're good for Britain. And they're good for Lloyd's and the London Insurance Market. It's an achievement that makes us feel proud.

**C.E. Heath & Co. Limited**  
Solving the world's insurance problems is our business



International Insurance Brokers Reinsurance Brokers and Underwriting Agents  
Cuthbert Heath House, 151/154 Minorities, London EC3N 1NR and at Lloyd's  
Telephone: 01-488 2488. Telex: 885280 888083



## THE U.S. GOLD DECISION

## Little effect on price expected

BY QUENTIN FEE IN JOHANNESBURG, APRIL 20

MINING INDUSTRY sources in South Africa are confident the auctions would be unlikely to absorb the proposed U.S. gold sales without any dramatic drop in the gold price.

An announcement on possible U.S. sales had been expected for several months, and industry spokesmen believe the market had already largely discounted the move. To-day's drop in the gold price is seen as the immediate psychological effect of the move.

A spokesman for the South African Chamber of Mines said today that the U.S. Treasury is committed to selling in the next six months was slightly less than had been anticipated.

Although the move might have a further depressing effect on the market, it was also a positive step in removing the uncertainty created by the conflicting statements of U.S. economic officials.

He also welcomed the decision to stage the proposed monthly gold auctions well apart from the IMF auctions as an indication that the U.S. Treasury was not intending specifically to depress the gold price.

The feeling in the mining industry is that the price is likely to be broadly resilient, in spite of recent fluctuations, because of the continuing weakness of the dollar and steady industrial demand.

However, observers are divided on whether the auctions will have the same effect as the early IMF auctions in further depressing the price. It is argued that the IMF is now almost halfway through its planned four-year auction programme of 25m ounces, and current auctions have no appreciable effect on the

market. The more modest U.S. auctions would be unlikely to have a greater effect. However, banking sources argue that the uncertainty of the first auctions might further weaken the price.

Any dramatic fall in the price would have drastic effects on the South African economy through the balance of payments, where a \$10 rise or fall

Japanese Finance Minister officials welcomed the U.S. Treasury announcement that it will auction gold from next month, and said it is a sign that Washington is willing to defend the dollar. Reuters reports from Tokyo. But the officials said that the planned gold sales were smaller than expected, and predicted that the U.S. will auction additional gold.

In the price, based on annual gold production of 22m. ounces, results in an increase or decline in exports of some R200m.

Thus, to-day's fall of some \$5, if it proved once and for all, would result in R110m. low exports.

The current account is, however, substantially in surplus at present, although there has been a heavy outflow on capital account. Predictions of the surplus for the current year ran from R400m. to R1bn. depending on the buoyancy of the gold price.

Given the limited extent of the U.S. sales, and probably limited effect on the gold price, observers here do not see a move as having any political motive directed against South Africa.

The market to-day was on slightly more active than yesterday, with gold dealing at \$374.50, compared with \$374.00 on April 19.

Feature Page 22

## Soviet sales unlikely

BY DAVID SATTER IN MOSCOW, APRIL 20

THE U.S. decision to sell nearly 2m. ounces of gold in the next six months may have the effect of dissuading the Soviet Union from making major gold sales in the short-term.

The details of Soviet gold sales are kept strictly secret, but it is believed that the USSR, which succeeded in reducing substantially the size of its trade deficit with the West last year, has no pressing need to make gold sales now.

With the big U.S. sales likely to drive down the price of gold, Moscow is thought likely to wait until the price is higher before making gold sales, although it would have no difficulty selling gold now if it chose to offer some.

A recent U.S. Bureau of Mines report on Soviet mineral industries put 1977 Soviet gold production at 243 tonnes and 1978 gold sales to the West at 200 tonnes, a 43 per cent rise over the 1976 figure of 140 tonnes.

David White adds from Paris that the announcement of the U.S. gold sales had a limited effect on the active Paris market, where the gold price stayed above \$170 an ounce to-day.

The 1 kilo gold ingot fell just under 0.5 per cent, from Frs. 25,400—a drop of Frs. 11. The dollar price at closing was down to \$171.37 an ounce from \$172.61.

The Paris gold market tends to be insulated from the world market because of French exchange controls, thus reflecting the state of uncertainty or other wise only in the local foreign exchange situation, dealer observed.

The market to-day was on slightly more active than yesterday, with gold dealing at \$374.50, compared with \$374.00 on April 19.

Feature Page 22

Realistically, absolute self-sufficiency is deemed impossible, since it does not exist even in the most advanced countries.

No technology transfers will be made, unless they are approved by the INPI, and preference will be given to projects that allow sectors such as the electro-electronic industry to reduce its dependence on foreign expertise (more than four-fifths of the industry is in foreign hands).

The Brazilian Government, faced with a \$37m. technology deficit in 1977, has established new rules destined gradually to give the country autonomy in

crisis fear  
resignation  
Cabin  
deficit  
Soviet sales unlikely  
\$69m. quest for technology  
Brazil's National Institute of Industrial Property (INPI) authorized \$60m. in outlays on foreign technology in 1977. This year, duties are likely to exceed \$800m. (excluding technology tied to imports of specific equipment which the institute says is hard to assess financially).

## OVERSEAS NEWS

# Long crisis feared after resignation of Beirut Cabinet

BY ISHAN HIJAZI

BEIRUT, April 20.

PRESIDENT ELIAS SARKIS and his cabinet members began consultations here today on forming a new cabinet after the resignation of the Government of Prime Minister Selim Hosni.

Mr. Sarkis met Parliament Speaker Kamel Assad, who later convened a session by the 99-seat parliament.

Observers, however, do not expect early results. Some believe prolonged political crisis may be because of sharp differences between the country's Christian and Moslem leaders.

Mr. Hosni told reporters his cabinet of technocrats stepped down in an understanding with President Sarkis and that the objective was to get political leaders to assume responsibility for running the government.

Informal sources said President Sarkis still prefers the next cabinet to be headed by Dr. Saad, who is a personal friend of other Moslem leaders. Mr. Saad and Mr. Takkieddin are also tipped to head the cabinet. Both have served Prime Ministers before.

Reports in the Press here said Cabinet resigned to pre-empt attempts at provoking another round of factional fighting. A phone call from the Chief of State Intelligence while the cabinet was in session yesterday reportedly a factor in the decision by the Ministers to go.

The intelligence officer, Mr. Johnny Abdo, reportedly urged the Cabinet that militia the predominantly Christian

quarters of Beirut were closing schools and erecting barricades. Later, right-wing parties issued a call for the reopening of the schools and warned against attempts to close them.

A conflict between Dr. Hosni and his Christian Foreign and Defence Ministers, Fuad Butros, was cited as another cause for the resignation.

Under the Lebanese system, the State posts are shared on a religious basis with the President going to the Christians and the Premiership to the Moslems.

According to speculation in political quarters, President Sarkis is planning to hold talks with Syrian President Hafez Assad as soon as the latter returns from his current State visit to India.

About 30,000 Syrian troops constitute the backbone of the Arab peace-keeping force which is under the command of Mr. Sarkis.

A row had developed over the banding by the Syrians of the fighting with Christian militia in the Beirut suburb of Ain el-Rummaneh a week ago. Christian leaders demanded that those responsible for shelling the district be brought to trial.

The attitude challenged what was described as the legality of Syrian troops here and that of President Sarkis himself.

Observers noted the resignation of the Cabinet left President Sarkis as the sole legal authority. They added the President appeared to be determined to have it out with the politicians.

## Peking and Hanoi stay silent on clashes

By Colina MacDougall

OFFICIALS in Peking and Hanoi yesterday refused to confirm or deny reports that Chinese and Vietnamese troops had clashed along their joint border. Their unwillingness to comment suggests that recent Western accounts of tank battles and casualties there may be accurate but that neither side is prepared to discuss them publicly.

Tension continues along the Sino-Vietnamese border, according to senior Vietnamese officials quoted by Western reports. In an interview, published in today's Far Eastern Economic Review, an official, Hoang Tung, Editor-in-Chief of the Vietnamese Party newspaper, Nhan Dan, said the cause was a massive presence of Chinese troops along the border and a loudspeaker war.

There is speculation that talks about the border situation may be in progress in Peking since the Vietnamese negotiator, Phan Hien, is thought possibly to have returned to the Chinese capital to discuss Sotatlers. The South China Sea islands, which are claimed by Peking, Hanoi and the Philippines.

On the Soratlers' issue, Hoang Tung said in the reported interview that the Chinese would not even discuss the question, though he denied there had been any naval clashes there.

Meanwhile, Chinese relations with Japan are rapidly worsening as a result of last week's Senkaku Islands incident. In an exchange of near-insults, the Chinese Ambassador to Tokyo has described the Japanese Prime Minister's attitude to negotiations for the proposed Japan-China friendship treaty, which were interrupted by the incident, as "passive".

In reply, the Prime Minister, Mr. Takeo Fukuda, said the ambassador was "impudent" and was interfering in Japan's internal affairs.

In last week's incident more than 100 Chinese fishing boats, some armed, intruded within the 12-mile limit around the uninhabited Senkaku Islands, which fall under Tokyo's jurisdiction but Peking claim as Chinese.

While the fishing boats have all withdrawn, the Chinese have not yet come up with a satisfactory explanation beyond saying the intrusion was accidental.

This hardly seems credible in view of the fact that the crews knew they were in Japanese claimed waters and took several days to leave the area.

## NAMIBIA

## Only a small gap divides the sides

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

"Will you, won't you, will you, won't you. WILL you join the dance?"

THE REFRAIN from Carroll's Lobster Quadrille, perverse though it might seem, might well be sung just now by negotiators of five Western powers.

For over a year, representatives of the U.S., Britain, Canada, West Germany and France have been trying to persuade the parties to the Namibian (South West African) dispute to negotiate a settlement of the territory's future. Two weeks ago, the final proposals of the group of five were published.

But both Swapo, the UN recognised liberation movement, and the South African government, which controls Namibia, are playing hard to get. Despite their efforts, the five still do not know whether these warring parties will agree to dance to the tune and follow the steps which they have so painstakingly devised.

The Namibian initiative has run in tandem with the Rhodesia peace effort, and has the same aim of securing a transfer to majority rule following one-man one-vote elections.

South Africa's occupation of Namibia, long ago declared illegal by the UN, is to be ended through a UN supervised operation which would carefully oversee a ceasefire, followed by the withdrawal of South African and Swapo military forces and then by an election. Independence is scheduled for December 31, though the five admit that the timetable is increasingly unrealistic.

Given the lack of trust between Swapo and South Africa, as well as between Swapo and many of the other inhabitants of Namibia, the Western powers have managed surprisingly well to reduce the gap between the two sides.

There are probably now only two really difficult issues. South Africa has agreed to reduce its

stronghold or sudden military action against Swapo bases in the north.

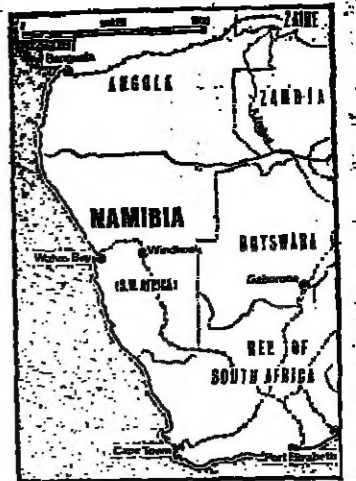
The second problem concerns Walvis Bay, Namibia's only good port. It has a different juridical status from the rest of the territory and is—according to Pretoria—non-negotiable. Swapo insists that it is part of Namibia, which is anathema to Swapo and the UN, remains intact.

The contrary view is that Pretoria has decided that its own border with Namibia would be more easily defensible than the long Namibian border with Angola, and has tired of the odium poured on its disputed rule of the territory, and wants to be rid of the problem. This seems to be the impression of at least some of the Anglo-American team which met Mr. P. Botha, the South African Foreign Minister, last week-end. According to one source close to the meeting, Mr. Botha's demands for clarification on "four or five points," and the insistence that Namibia-to-day who finally decide whether the package should be accepted, were more of a face-saving exercise than anything else.

And Swapo? Here again there are differing views, though these stem primarily from the belief that Swapo's leadership is divided. Mr. Sam Nujoma, its president, whom western negotiators have found an obstinate and not very adroit negotiator, is held to be less favourable to an agreement than some of his colleagues. The western group however draw some comfort from its

belief that the frontline African states are encouraging Swapo to adopt a flexible approach. Nigeria was apparently instrumental in getting the often elusive Mr. Nujoma to a meeting with Mr. Vance, the U.S. Secretary of State, in Dar-es-Salaam last week-end while even more important, Angola is believed to want a negotiated settlement in Namibia.

So will the dance be joined? In an apparent effort to provoke an answer from both sides, the UN Security Council, but twice in the past ten days, the debate has been postponed. Now, Namibia is to come up at the long planned special session of the General Assembly, due to open on Monday. The western group approach it with some trepidation, if only because of the fear that Swapo's recognition by the UN might, given the majority of third world and Soviet bloc countries in an assembly, tend to reinforce Swapo intransigence, but the five, at least, are determined that the talking will go on.



## Mining exploration almost abandoned in Rhodesia

BY TONY HAWKINS

SALISBURY, April 20.

DUE TO the "deteriorating security situation" mining exploration has had to be "abandoned almost in its entirety," the president of the Rhodesian Chamber of Mines said today.

Speaking in Salisbury at the Chamber's annual congress, Mr. Ivan de Zwaan, a senior executive in the Anglo American group, said: "This cessation has resulted in redundancies and retrenchment of labour" at a time of rapidly rising unemployment.

But "perhaps even more worrying," he said, was the loss through transfer or emigration of experienced officials and skilled technicians.

It would be "costly, difficult and time-consuming" to re-

establish the levels of mining exploration achieved in recent years but this would have to be a top priority when circumstances again permit.

Mr. de Zwaan's remarks about prospecting follow last year's published decision by the Anglo American group—believed to have been the largest prospecting organisation in the country—to withdraw its men from the field because of the security position.

Commenting on labour issues in the industry, the Chamber president said that while there were now many more blacks in training in the industry, fears expressed by white trade unionists that "lesser paid and unqualified" Africans would be brought in to displace existing

whites were "totally unfounded." Mr. de Zwaan said the industry would be faced with "all manner of demands" for Africanisation higher wages and social changes. He appealed for a "balanced and pragmatic" stand on these issues saying it was essential to maintain the confidence of the whites.

"Any policy which is seen to be the precursor to the replacement of whites by blacks for purely racial reasons will be certain to herald an exodus of skills which we need so badly."

However, quarterly results for three major mining groups in Rhodesia published today give a somewhat mixed picture. The country's major copper producer, MTD Mangula has announced a 60 per cent. fall in taxed profits

in the first half of the current financial year. The interim dividend has been cut to three Rhodesian cents from eight cents last year, over the year as a whole, the group is predicting profits after tax of between £1.95m. and £2.5m.

This presupposes a sharp improvement in profit in the latter half of the year with Mangula anticipating it will earn at least twice as much and possibly more in the current year.

The Coronation Syndicate group, controlled by Lonrho, has announced sharply higher first half profit figures attributable to its gold operations. Net income rose to £1.58m. (being a South African-based group) Coronad

publishes its results in that currency) from R556,000 in the comparable period last year—an increase of nearly 240 per cent.

This is attributable mainly to the fact that the Muriel roid mine almost doubled its profits from R558,000 in the half-year to March 1977, to more than Rm. in the half-year just ended.

The gold producer Falcon Mines Ltd. announces its estimated net profit has risen 34 per cent. in the half-year to March 31.

After allowing for a much enhanced level of capital spending in the second half of the year Falcon is forecasting net profits available for distribution of a further £470,000 after £22,000 in the first half

# Pullman Kellogg

We are pleased to announce that The Queen's Award for Export Achievement for 1978 has been conferred upon the Pullman Kellogg Division of Pullman Incorporated in the United Kingdom.

The Award has been given in recognition of our achievement in increasing our exports more than seven fold in three years.

We thank our clients in the petroleum and petrochemical industry for their confidence in our engineering skills and appreciate and acknowledge the efforts of all our staff in securing this honour.



## WORLD TRADE NEWS

## LANDING AIDS DECISION

## A breathing space for Plessey

BY MAY WILKINSON AND MICHAEL DONNE

THE SUDDEN decision of the International Civil Aviation Organisation to adopt an American aircraft landing aid is a big disappointment to Plessey of the U.K., which was pressing its alternative Doppler system.

However, the disappointment is greatly mollified by the additional decision to postpone the introduction of the new system by up to ten years. Originally it was planned to proceed to final specifications within 18 months, with full production models available in about five years.

At Wednesday's meeting of the ICAO it was agreed that the existing Instrument Landing System (ILS), of which Plessey is an important manufacturer, will not become obsolete until 1995.

Plessey believes that that will give a breathing space either to develop its own variant of the American system or to enter a collaborative development programme with American companies.

The decision followed an unexpected vote on Wednesday proposed by French delegates to a conference in Montreal that had earlier been expected to break up in disarray with no firm decision.

The voting was 39 in favour of an American-Australian variant of the U.S.-developed Time Referenced Scanning Beam (TOSB) system against 24 votes for the U.K.'s Doppler system.

The agreement to keep the existing system up to 1995 is likely to mean that new systems will not be installed much before

the end of the next decade. During that interval, it is expected that ILS technology will advance further, so that the system eventually adopted will probably be a development of the TRSB rather than its present configuration.

The meeting in Montreal began on April 4. The Americans introduced some last-minute proposals with the support of Australia, the Soviet Union and West Germany. That led to the crucial vote.

The Montreal meeting has been significant in that it has not only highlighted a struggle between two rival systems for a world market that is expected to amount to more than £1bn. over the next 25 years or so, but also a clash of technological philosophies between Britain and the U.S.

From the business viewpoint, no single manufacturer or country will get a monopoly of the prospective business, for whatever new system is eventually chosen all the world's avionics (aviation electronics) manufacturers will be entitled to share in the business under the ICAO's rules. But, inevitably, whoever happens to have developed the winning system will have a headstart over its rivals in winning orders.

At the root of the whole struggle, which has now been going on for years, is the fact that world air traffic is relentlessly expanding, at an average

annual rate of about 8 per cent. From nothing in 1945, passenger traffic has risen to 620m. passengers a year world-wide by 1977, and is likely to reach 1bn. a year in the mid-1980s. Keeping pace with this expansion has already imposed major strains on the aviation community, in the provision of adequate airports and ground transport systems, and not least in the provision of en route navigational aids to ensure a continued high level of safety along with a smooth flow of traffic, especially in the increasingly congested areas on the final approaches to airport runways.

One of the most important of these latter aids has been the Instrument Landing System (ILS), a device which sends out a radio beam in a fixed direction and angle from the end of a runway, providing a path down which an airliner can fly even in poor weather.

But, for all its merits, it has drawbacks, some of which are more critical at some airports (for example, in mountainous terrain) than at others. Among these are the fact that the ILS beam is single, fixed, and narrow, with a limited number of frequency channels, and that the beam can be distorted by signal reflections from surrounding buildings or high ground. This means, that at

some airports, siting ILS can be difficult, expensive or even impossible.

This has led to much research over several years to find a suitable alternative. Most aviation technologists now agree that Microwave Landing Systems (MLS) are the best. These involve transmitting a wedge-shaped signal instead of a single narrow beam, with a wide sweep and a greater degree of elevation in front of the runway, thereby creating a greater area of space in which a bigger number of airliners can be accommodated at any one time. Thus, MLS offers the chance of increasing the rate at which airliners can land in the busier years that lie ahead, without in any way reducing safety.

But while there is general agreement on MLS as the most suitable system for the long-term future, there is considerable difference of view as to which methods of utilising it are best. There has been some danger that there might be too many different MLS systems available, causing confusion and perhaps even jeopardising the safety that everyone wants to maintain. Thus, the International Civil Aviation Organisation, through its All-Weather Operations Division, set out some time ago to consider the variants, and to choose between them.

## France in surplus by Frs1.2bn.

By David White

PARIS, April 20.

EFFORTS TO restore France's payments balance, reaffirmed as a Government priority by M. Raymond Barre, the Prime Minister, in his policy declaration to the new National Assembly yesterday, received an encouraging response in the March trade figures, which showed a seasonally adjusted surplus of Frs1.19bn. (\$258m.).

The figures reinforced February's return to a surplus and backed up the recovery, set in since last autumn. In February the adjusted surplus was a narrow Frs34m. after a big shortfall of Frs1.84bn. in January.

March exports, at Frs31.13bn., were 8.8 per cent. higher than February's and 18.6 per cent. up on March last year. The increase in imports, which totalled Frs29.94bn. after adjustments, was kept down to 4.9 per cent. over February and to 8.4 per cent. over the 12 months.

The exceptional setback suffered at the beginning of the year, however, left France's adjusted first-quarter trade balance Frs588m. in the red. In the same three months of 1977 the deficit was Frs5.54bn.

## Saudi oil 13% down

The daily average for Saudi Arabia's crude oil exports in March was 13 per cent. down at 6,812,480 barrels, James Buchanan writes from Jeddah. Aramco's share was 3,553,323 barrels a day, Arabian Oil Company 1,27,645, and Getty Oil 41,452. February's daily average was 7,509,509.

## Tough EEC line urged on textile tariffs

BY RHYS DAVID

THE EEC is being urged by the U.K. textile industry to resist tariff reductions on fibre, textile and clothing imports in the GATT Tokyo Round talks unless other countries, and in particular the U.S., agree on similar moves.

The demand for a tough line comes in the latest report of the British Textile Confederation, where the current U.S. and Japanese approaches are described by the president, Dr. Brian Smith, as profoundly dissatisfying.

Dr. Smith, who is chairman of ICI Fibres, points out that EEC tariffs on textiles and clothing are already among the lowest in the world and that substantial reductions now need to be made by major EEC trading partners such as the U.S. The initial offers from Japan and the U.S. had contained, however, only a token move towards harmonisation. In particular the U.S. offer did little

to remove the punitive duty—roughly 80 per cent. ad valorem—on wool cloth exports to that market.

"There must be full reciprocity in tariff reductions in the fibre, textile and clothing sectors. Failing this it would clearly be wrong for the EEC to reduce its already low duties unilaterally," he states.

Elsewhere in the report Dr. Smith warns that the extent to which the new Multi Fibre Arrangement agreed at the end of last year benefits the U.K. will depend largely on the proper enforcement of the provisions.

"Prompt and comprehensive monitoring is essential to ensure that quotas are not being exceeded, that other trade covered by agreements is not becoming excessive, and that when an upturn did occur, it was not a temporary one."

Others, and that the spirit agreements is not being by the deflection of trade.

It was a matter of concern that other EEC countries not producing import rapidly as the U.K. The at which action could be was determined by the member state.

On current prospects in the U.K. Dr. Smith points out that the main slugs at present are no prospect in sight of a to the boom conditions of the early 1970s. Nevertheless, British textile industry, among the strongest, most efficient and most active in the world. It has slimmed down substantially force of events and was in prepared to meet the challenge when an upturn did occur.

## Call for more Japanese investment

BY DAVID BUCHAN

BRUSSELS, April

A PROPOSAL that Japan might invest more directly in the EEC, and export rather less to the Community, was today put to a team of top Japanese industrialists, led by the president of the Keidanren, Mr. Toshiro Doko, by the EEC Commission president Roy Jenkins and his colleagues.

The Keidanren team, held

talks today with the Commission and are to meet their counterparts from UNICE, the European employers' organisation, here tomorrow, in what is seen here as "the practical follow-up" to last month's joint EEC-Japanese ministerial conference.

Mr. Doko is understood to have welcomed the Commission's suggestion that direct Japanese investment should be the subject of further study. UNICE representatives also said they would favour Japanese companies setting up plants in Europe—provided these were genuinely created new jobs, and were "not just warehousing facilities for Japanese imports." The official position of the Confederation of British Industry, which is affiliated to UNICE, is that it favours direct Japanese investment, but, some UNICE

members, notably the Mr. Jenkins also held the Keidanren team to substantial concessions in current multilateral trade negotiations.

Senior officials from the U.S. and the EEC met in Washington on April 19 to discuss world steel production. According to Japan's Ministry of International Trade and Commerce, they will discuss the possibility of establishing a committee to handle international steel problems.

## Italy steel export talks

BY PAUL BETTS

ROME, April

ITALIAN PRIVATE steel manufacturers are to hold talks with British producers in Brussels tomorrow to try to agree an upper ceiling of Italian steel exports to the U.K.

In Milan last night, Italian producers reached an outline agreement with West German, French and Benelux manufacturers, establishing monthly Italian steel export limits this year of 24,000 tonnes to West

Germany, 21,000 tonnes to France and 2,000 tonnes to Benelux. In return, the producers would comply with Community steel price controls.

Apart from the still unresolved question of Italian export limits, the European producers have yet to define the rate of steel products affected by export limits and the mechanism to enforce these upper

## German car output down by build

BY GUY HAWTHIN

FRANKFURT, April

STRIKES TO press home a metal industry pay claim cost West German motor manufacturers a demand for the industry's output last month. Even so, the industry has reported a pick-up in domestic demand, in contrast to February's weak sales figures.

The Verband Der Automobilindustrie (VDA), the industry's trade association, today reported that on a calendar-adjusted work-day basis, March's total output of 367,300 units was 3 per cent. below February's 343,197 units. Yet production during the first quarter remained about last year's level: 1,134,100 units against 1,124,743

in that period of 1977. According to the VDA, demand for the industry's output is stagnating. This

Commercial vehicle manufacturers have done particularly badly, with exports down 10 per cent. in the first quarter compared with the previous year. Shipments abroad fell from 56,649 units to 41,490. Daimler-Benz adds from January: Volkswagen's total output of 367,300 units was 3 per cent. below February's 343,197 units. Yet production during the first quarter remained about last year's level: 1,134,100 units against 1,124,743

## Fiat builds diesel cars

BY HARRY DODSWORTH

TURIN, April

FIAT IS moving into the expanding market for diesel cars with a new range of engines for its 131 and 132 saloons, to be launched in June in Italy and in those European markets this year. Fiat has set a target of 17,500 diesel sales in Italy this year and 3,000 elsewhere in Europe.

It was said at the Turin Motor Show that it is also developing diesels for the rest of its car range. The 131 and 132 models will

be powered by 2-litre engines produced at Fiat's plant in south Italy, a plant jointly owned with Alfa Romeo and Saab. The engine range was developed for light vehicles. In Italy, diesels have a competitive running cost because the price of diesel is only about L150 a litre, compared with L150 for petrol. But in models will cost between L120 and L130, more than the standard petrol vehicles.

## Water specialist group

Davis, Bagnall of London and Butsch, Germany, a Davis International company, and Turriff of Warwick have formed a new company, Davis Bagnall Turriff, to offer turnkey projects, tailor-made for individual requirements, in water technology. It will cover treatment of potable water, industrial service water, waste water and municipal sewage, recycling of water and general drainage services range from feasibility studies and planning to commissioning of water and waste water treatment plants.

## India, Syria pact

India and Syria have agreed to step up their trade with a view to helping Damascus reduce the excessively adverse trade balance it has in relation to India, our New Delhi correspondent writes. India is to import 10,000 metric tonnes of rock phosphate from Syria on a trial basis. If the phosphate is suitable for the fertilizer industry, imports will be increased.

## IADB policy study

The Inter-American Development Bank has agreed to establish a study group to examine a range of the bank's functions and policies. AP/DJ reports from Vancouver. A resolution in those terms was sponsored by Argentina, Bolivia, Costa Rica, Dominican Republic, Honduras, Mexico and Venezuela at the bank's annual meeting. They want the agency's financial policy of developing financing examined, with a view to allocating

resources, new mechanisms obtaining finance and financial, administrative, cooperative adjustments bank.

S. Korea petrochemical South Korea is to build a \$1.0bn. petrochemical complex, its third, before early next year for completion in 1982. AP/DJ reports from Seoul. Commerce Minister Choi Rak-Kyu that foreign investors were allowed to participate in the project. Gulf Oil and are reported to have shown interest in the project.

## Israel cement plant

Approval in principle has been granted to an application for a local group of entrepreneurs, the West Bank to establish a cement plant in conjunction with a French company, Fives Babcock. L. Daniel writes from Tel Aviv. The investment estimated at \$40m., daily production to reach 1,000 tonnes.

## Arab mission to U.

About 100 Arab businessmen from ten countries opened two days of talks in Washington aimed at easing U.S.-Arab trade. Reuters Treasury Secretary William E. Blumenthal and Commerce Secretary Juanita Kreps lead Government participation in the talks. The group will also visit New York, Houston, Los Angeles and Chicago before returning home on May 3.



هكذا من العمل

ECGD insures from date of contract or despatch of goods. Cover is available for contracts in sterling or other approved currencies for: Continuous sales worldwide of raw and processed materials, consumer goods and production-line engineering goods ☐ Sales to and by overseas subsidiaries of UK firms ☐ Sales through UK confirming houses and by UK merchants ☐ Single large sales of capital equipment, ships and aircraft ☐ Constructional works contracts ☐ Services. ECGD also makes available: Guarantees to banks providing export finance, often at favourable rates of interest, including project loans and lines of credit to overseas borrowers ☐ Guarantees for performance bonds ☐ Guarantees for pre-shipment finance ☐ Consortium contingency insurance ☐ Cost escalation cover. Also available: Cover for investments overseas ☐ For full details call at your local ECGD office.

To make an appointment or for information contact the Information Office, Export Credits Guarantee Department—quoting reference FTQ—at Glasgow, Belfast, Leeds, Manchester, Birmingham, Cambridge, Bristol, London West End, Croydon or Tottenham offices; or Joan Swales, Information Section, ECGD, Aldersbury House, London EC2A 2EL. (Tel: 01-666 6699. Extn. 258).

**ECGD**

INSURANCE FOR BRITISH EXPORTERS.

## United Dominions 'lifeboat' loan cut

By Margaret Reid

UNITED DOMINIONS Trust, the largest beneficiary of the 'lifeboat' launched by the Bank of England and the big banks four-and-a-half years ago, has now cut its borrowing from support funds to £200m.

The present £200m. loans total the lowest for several years and is less than two-thirds of the £400m. of lifeboat money which the group had on loan at the peak of the crisis in 1974-75.

As a sign of the finance group's improved confidence, Mr. Len Mather, United Dominions chairman, said yesterday: "We want to try and get rid of the lifeboat tag as far as UDT is concerned. We are gradually borrowing from the banks acting as a consortium at a market rate without penalty because there is no risk."

But the company has not yet reduced its support group borrowings, to the point where it is prudent to leave the lifeboat altogether. These funds will account for about two-thirds of the deposits of the parent company.

Our borrowings from private and company depositors are good and rising and our borrowings from the joint bank are going down. This is happening gradually; it is a question of confidence," Mather said.

If the present £200m. of borrowings from the support group can be got down in time to about £100m., this lifeboat money could well be funded to a medium-term credit fund some of the banks.

Somewhat similar arrangements were made when Bowmaker and Keyser, Ullmann are "landed" from the lifeboat.

The other large borrower on the lifeboat, which still has something approaching £80m. owing to it, is the more problem-ridden First National Assurance Corporation, whose accounts at nearly £100m. were put in the lifeboat.

Asked yesterday about suggestions that a take-over offer might be on the way for the United Dominions Trust group, Mr. Mather replied: "I know of no bidder. The shares last night closed up down at 39p."

## Coal Board expects £7m.-10m. profit

By John Lloyd

TOTAL OUTPUT of the National Coal Board rose marginally in the last quarter of the year, but financial year—by 100,000 tons—compared with the previous year.

The NCB will declare a profit over the 12 months ending March 31, but probably less than half last year's net surplus of £37.2m.

Sir Derek Ezra, speaking in London yesterday, hinted that profits would be around £7m.-£10m.

The two factors which have saved the Board from declaring a much lower output figure, and possibly announcing a loss for this year, are the contribution to output made by open-cast operations, and the early success of the productivity scheme.

Open-cast output rose by 18.6 per cent. from 11.2m. tons to 13.3m. tons. At the same time, deep-mined output fell by 2 per cent. from 108.8m. tons to 104.4m.

The fall in deep-mined output would have been greater without the contribution of the productivity scheme, which boosted the figure by 1.8m. tons.

The effects of the bonus scheme, which began in most coalfields early this year, have

also shown in productivity figures.

In the last quarter of the year, output per man-shift (CMS)—the standard measure of productivity—rose by seven per cent. over the last quarter of the previous year.

OMS at the face reached record levels in the last two weeks of March, standing at 174.6 cwt. 9 cwt. more than the previous record set in May 1975.

Face workers earned an average of £21.50 a week in incentive pay last month, except in South Wales and Kent, where productivity schemes were not fully operational. Other underground and surface workers earned an average £10 bonus.

### Accidents

Accidents rose slightly, from 518 in 1976-77 to 520 in the past year. There was an increase from 11 to 12 fatal accidents on underground haulage and transport systems. The total number of deaths rose from 38 to 42.

Sir Derek said that no way increase in deaths was in any way attributable to the incentive

Sales of coal were down, by 2.2m. tons on 1976-77, to 118m. tons. The drop is accounted for by the sharp decline in demand from the steel industry, the NCB's second largest customer. The steel industry took 14m. tons of coking coal last year, compared with 17.7m. tons in the previous year.

Increases in sales to the electricity industry—up by 500,000 tons to 78.5m. tons—and to the domestic and industrial market made up part of the shortfall.

NCB officials admit that there will be a problem in the short term in finding markets for their increased production.

While the Central Electricity Generating Board has agreed to take around 5m. tons more this year—providing prices remain stable—it will probably reduce its requirements later.

With an expected continuing depression in the steel industry, the NCB is looking to Europe to take a much larger proportion of exports than it has in the past.

The EEC is considering a proposal to subsidise coal transport costs, which would help U.K. coal to be competitive within the Community.

## Another Leyland director may leave

By Stuart Alexander

MR. ALLEN RUSSELL, director of marketing at Leyland's truck and bus division, is believed to be leaving the company just one year after joining following a clash with managing director Mr. Desmond Pitcher.

The row is thought to have centred on the control of the marketing operations of the four parts of truck and bus.

Last night Leyland would not comment except to say that Mr. Russell was not available.

He joined the company from Ford, where he was director of truck product planning, and only a few months after Mr. Pitcher took over at Leyland.

His role was one of central group marketing director reporting directly to Mr. Pitcher. Recently he helped in the reorganisation of the truck and bus overseas marketing operation as Leyland International, handed over responsibility in Europe.

Each of the four sectors of the division—buses, heavy trucks, light and medium trucks, and cars—also has its marketing director and they also report directly to Mr. Pitcher. He had planned the split of truck and bus into sections as part of the reorganisation when he took over.

Truck and bus now renamed Leyland Vehicles and based at Leyland, near Preston, in Lancashire, is one of the profitable parts of British Leyland.

The retirement was announced yesterday by Mr. Geoffrey Warren, deputy chairman of Leyland, Bedford and chairman of Goodwin Barclay.

## Agreement reached on tanker lanes

By Ian Hargreaves, Transport Correspondent

A SCHEME to keep laden oil tankers and other vessels carrying dangerous cargoes at least 30 miles from the French island of Ushant was agreed yesterday by the United Nations maritime agency, IMO.

The organisation's safety committee met in London to ratify a scheme proposed earlier this week by a special working party and which is almost identical to the proposals put forward by the French authorities at the end of last week following last month's Amoco Cadiz disaster.

Some details of the new scheme were resisted at first by Britain, mainly concerning the fact that the plan involves tankers switching lanes to enter another lane, off the Casquets rocks, further up the western approaches to the Channel. Under yesterday's agreement, masters will simply be recommended to turn at as broad an angle as possible into the

## Accounts method 'distorts' deficit

By Peter Riddell, Economics Correspondent

BRITAIN'S visible trade deficit with the rest of the EEC is probably exaggerated by "some hundreds of millions of pounds" as a result of the method of calculation, according to a Government analysis published today.

An article prepared for Trade and Industry magazine shows that an estimate of the visible deficit with the EEC based on calculations of country of origin and destination was £1,570m. last year compared with the published figure of £1,990m.

Mr. R. W. Green of the economics and statistics division of the Department of Industry, Trade and Prices, points out that trade balances between countries will vary according to the method of attribution adopted even though the U.K.'s balance with the world as a whole is unaltered.

He points out that problems can arise because although goods can be consigned from one country they may be produced in another. For example, imports from other parts of the EEC into the U.K. include some cereals which are produced in North America.

The article points out that in practice it is extremely difficult to measure trade balances with other countries on the basis of calculations of country of origin or destination. A typical definition is that the country of origin is the last country where substantial processing of goods has occurred.

The other main methods of calculation are based on the country of the seller and purchaser of the goods, and the country of consignment. The latter is used by the U.K.; the consignment method looks at the country of the first shipment of the goods to the U.K.

The consignment method added just over £820m. to the U.K.'s visible trade deficit with the EEC last year compared with the country of origin method. The gap was £744m. in 1976 and £512m. in 1975.

## Oil areas handed back

By Ray Daffer, Energy Correspondent

OIL companies have handed back to the Government about 11,168 square miles of exploration territory in the North Sea under the conditions of past licences.

The blocks were allocated in 1972, under the fourth round of licences. Under the terms of these concessions companies had to relinquish at least half of the original licensed area within six years.

Mr. Anthony Wedgwood Benn, Energy Secretary, said yesterday that of the 102 licences covering 253 blocks, 39 covering 92 blocks had been surrendered. The remaining 63 licences, covering 161 blocks, would continue in force but for the reduced areas.

Oil companies normally retain licensed areas if they have made an oil or gas discovery or if they feel there is a chance of a discovery being made in the future.

Of the 21,657 square miles originally licensed under the fourth round, 61 per cent. has reverted to the Government.

## Drugs makers challenge Ennals figure

By Kevin Done, Chemicals Correspondent

THE DRUGS industry yesterday challenged figures which the Department of Health produced in its campaign to reduce the National Health Service drugs bill.

Mr. David Ennals, Health Secretary, said that the nation's spending on drugs had doubled in real terms over the last ten years.

But the Association of the British Pharmaceutical Industry claimed yesterday that the figure was for the whole of the U.K. since 1967.

The price of medicines charged by manufacturers was less than 8 per cent. of total Health Service expenditure.

The Department of Health was quoted as saying this week that the number of prescriptions written by doctors had risen from 296m. in 1974 to 380m. last year.

The association said yesterday: "The 1974 figure was for England and Wales only, while the 1977 figure was for the whole of the U.K."

The Department had omitted

## Business jet sales total 400

By Michael Donne, Aerospace Correspondent

WORLD SALES of British Aerospace's HS-125, the business jet aircraft, have reached 400, worth £200m., with the latest sale announced yesterday to the J. A. Jones Company, of North Carolina, a U.S. building and construction company.

Of the total, 80 per cent. have been exported to 28 countries, and the value of this business has been £145m. The largest market has been in North America with 229 aircraft sold, representing exports worth £110m.

The HS-125 is Britain's best-selling jet aircraft since the Viscount of the 1950s and 1960s.

The HS-125 has been developed through a large number of variants, each offering improvements in performance and capability. The latest version, the Series 700, has increased speed, cabin area, range and greatly improved equipment standards over the original aircraft, which made its first flight in 1962.

It has flown more than 10,000 hours in world service and is proving to be among the continuing major export successes of

British Aerospace.

So far, 42 of the new Series 700 version have been sold, and production is being increased at

the company's factory, at Chester, to meet increasing demand for the aircraft especially from overseas.

## Safeguard for Welsh jobs

By Anthony Moreton, Regional Affairs Editor

THE Welsh Development Agency yesterday helped to link the Scottish chain-making and engineering group Wheway Watson with Lloeridge, a small Cardiff manufacturer of lifting equipment, in a step intended to strengthen Wheway's operations in Wales and safeguard jobs in Lloeridge.

Wheway has acquired Lloeridge from its parent, Constructors John Brown, in a share-exchange deal. The agency is to take a 6 per cent. stake in Wheway worth £168,000, a sum larger than the value of Lloeridge.

By the time Lloeridge is absorbed into Wheway, the Scottish company will have 100

## February building orders slip

By Michael Cassell, Building Correspondent

THE VALUE of orders won by contractors for U.K. building work slipped in February, according to the Department of the Environment.

Provisional estimates suggest that the current price value of contractors' orders obtained during the month fell to £202m. from £217m. in January. The fall represented a considerable improvement on the £142m. recorded in the same month of 1977.

The department says that, when expressed in constant prices adjusted to exclude seasonal variations, total new orders

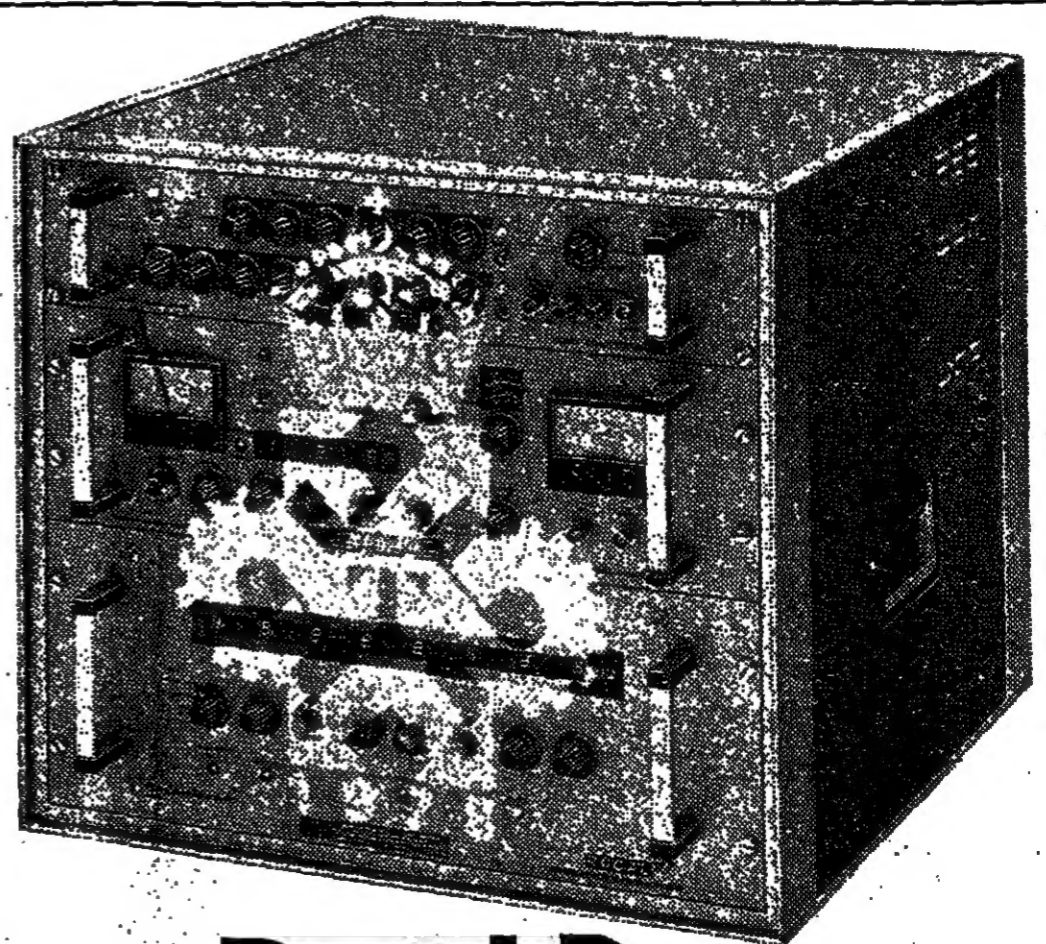
in the three months from December 1977 to the end of February were 8 per cent. up on the previous quarter. When compared with the level of contracts being won in the same quarter a year earlier, orders in the latest three-month period under review were 18 per cent. higher.

Total orders last year were 7 per cent. down in value on 1976 while the value of construction output declined by about 3 per cent.

It seems clear that the recession, which has hit all sectors of the civil engineering and building industry, has bottomed

out, as evidenced in the most recent official figures on orders and output, although only a marginal improvement in activity is expected to be recorded in 1978 when compared with last year.

According to the department's latest figures, new orders in the public housing sector in the December-February quarter were 6 per cent. up on the preceding three months and 7 per cent. higher than a year before. Private housing orders were down 2 per cent. on the previous quarter but 34 per cent. better than during the same period 12 months earlier.

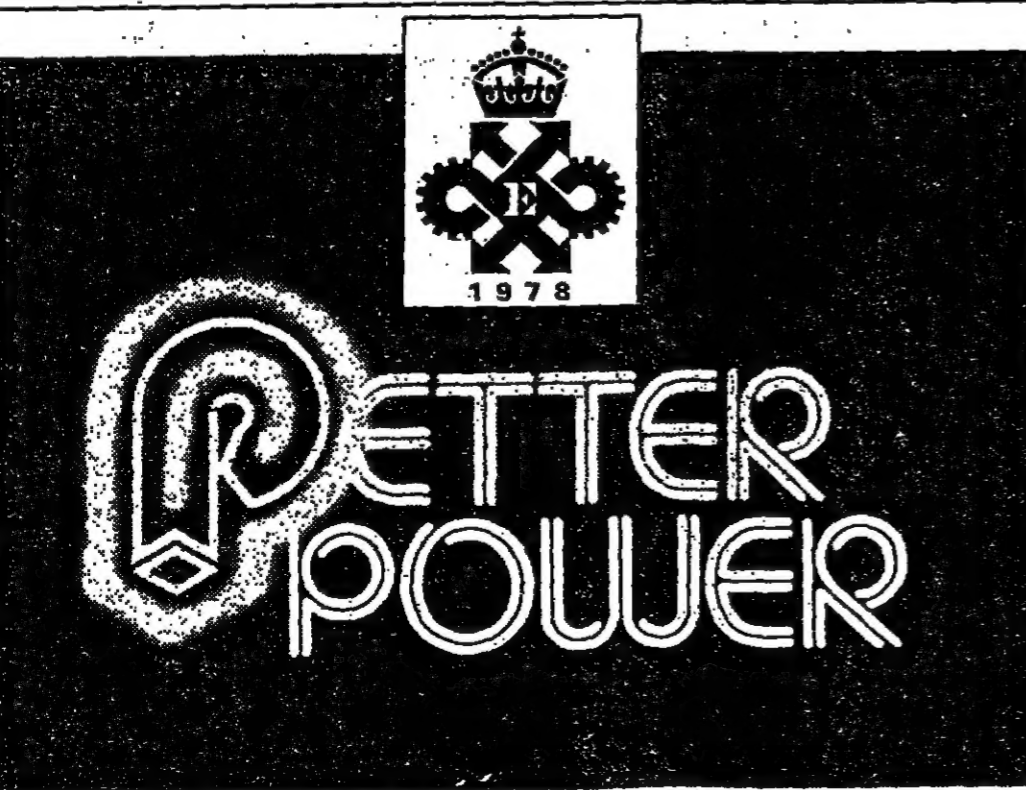


## Racal-Dana Synthesized Signal Generators. The measure of our success.

We are proud that Racal-Dana has been honoured with the Queen's Award for Technological Achievement. Always in the forefront of innovative high technology, Racal-Dana has, in the 9060 Signal Generator series, pioneered a new range of synthesized generators for the precision testing of radio communications systems. The patented design concept of this advanced series offers



the user significant performance advantages not previously available from any manufacturer. This achievement was made possible by the great skill and dedication of the Racal-Dana team of people, and the Chairman and Directors of Racal Electronics Limited wish to express their sincere thanks to everyone inside and outside the company who has contributed to this success.



## We are honoured to receive the Queen's Award for Export Achievement 1978.

In more than 140 countries Petter Power Generation is providing vital electrical power where it's needed. Over a three year period Petter has increased its exports fourfold. Exports now represent 80% of the Company's total turnover. Hospitals, construction sites, factories and planners of rural electrification schemes and telecommunication systems around the globe recognise Petter as one of the world's leading manufacturers of high performance generating equipment.

HAWKER SIDDELEY

Petter Power Generation Ltd.

Hamble, Southampton SO5 3NJ, England. Tel: Hamble 2061

STD 042-122) Telex: 47626. Cables: Petter Hamble.

Hawker Siddeley Group supplies mechanical, and electrical equipment with world-wide sales and service.

RACAL The Electronics Group

Winners of Nine Queen's Awards in Nine years

Racal Electronics Limited, Western Road, Bracknell, Berkshire

## HOME NEWS

## CBI sets 3.5% growth target

Financial Times Reporter

THE U.K. economy should be able to grow at 3.5 per cent. per annum for the next four years and create 1m. extra jobs, Mr. John Greenborough, president of the Confederation of British Industry, said yesterday.

But public spending would need to be held back to reach the target growth rate, he said at an American Chamber of Commerce lunch in London.

Similar growth rates had been achieved in the past and were possible again.

Mr. Greenborough attacked Mr. Denis Healey for failing to reward industry in his recent Budget, and reiterated the CBI's recent pledge to lobby for tax cuts up to £900m.

"Business received virtually nothing and the Chancellor missed an unprecedented opportunity to encourage middle management to take risks. We have to turn on the taps at the sharp end of business," he said.

The £900m. tax cuts, comprising a 2p reduction in standard rate income-tax (£700m.) and alterations in higher rates, would be financed by reduced public expenditure, less cash for the National Enterprise Board, and money from the public spending contingency reserve.

The CBI had no guarantee that its campaign would succeed, but it would lobby as hard as possible, Mr. Greenborough said. The nation was beginning to accept that business must be profitable to survive.

Earlier, Mr. Hugh Parker, president of the American Chamber of Commerce in the U.K., said that the balance of legislation had tilted too far against the private sector in Britain. Only a stronger CBI could highlight the practical consequences of these shifts.

## BAA loses airport bid

THE BRITISH Airports Authority's £2.8m. offer for Newcastle Airport has been rejected.

The North East Regional Airports Committee said yesterday that the bid was entirely unacceptable and would have to be improved substantially if the take-over was to go ahead.

The committee also wants an assurance from the BAA that it will continue with plans to extend terminal building, expand the cargo depot, build a new station and improve passenger access to aircraft.

## Budget fiscal policy risky, say Greenwell

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE GOVERNMENT has adopted a risky fiscal and monetary strategy in the Budget since the likely outflow of funds from sterling could easily snowball out of control, stockbrokers W. Greenwell and Co. say in their latest Monetary Bulletin.

They argue that the monetary aggregates which will indicate inappropriate fiscal policy will be domestic credit expansion, and this will be nearer £700. in 1978-79 than the £600. figure indicated in the Budget speech.

The flow of funds out of sterling will help to reduce the growth of the money supply, and therefore, the amount of gilt-edged stock which the Bank of England needs to sell will be less than indicated in the Budget speech. This is a risky strategy because an outflow of funds can easily snowball out of control.

The bulletin examines in detail the real stance of fiscal policy set out in the Budget. This is defined as the public sector

## Compared

The trend is compared with the level of notified vacancies and it is noted that the expected real stance of fiscal policy in 1978-79 is similar to the actual stance of 1972-73.

However, in spite of the parallel Greenwell "are not suggesting there will be a repeat of the dismal events of 1973 and 1974. The commitment to monetary targets and the awareness of financial markets will stop this from happening."

The bulletin says "the Treasury's forecast for the public

sector financial deficit is incompatible with some of its other forecasts."

The brokers stick to their view that funds will flow out of sterling and inflation will rise, which will result in additional Government revenue from taxes. Consequently the public sector financial deficit may be somewhat lower than the Treasury's forecasts for 1978-79.

The main impact of this will be in the following year. Higher inflation will also reduce real fiscal expansion, which will help to make the fiscal and other forecasts compatible.

It is pointed out that bearish expectations have already led to a rise in gilt-edged interest rates. "When the flow of funds out of sterling loses momentum the gilt-edged market is likely to attract investors. Substantial official sales of gilt-edged stock may occur somewhat sooner than the Chancellor implied. This will also help to curtail excessive monetary growth."

## Kepone not a killer and safe to be incinerated, say makers

FINANCIAL TIMES REPORTER

THE CHEMICAL Kepone was not a killer and it was guaranteed there would be no danger if it was incinerated at the company's plant at Pontypool, South Wales, Re-Chem International said yesterday.

Kepone was a mildly toxic pesticide. Mr. Jim Garrison, of Allied Chemicals the American manufacturers said in Cardiff. It caused trouble only when mis-handled in manufacture.

Local people threatened to blockade the Pontypool plant recently when Re-Chem confirmed it planned to burn 10 tonnes of Kepone products there, from America in a sealed container and in drums which would go straight into the incinerator.

Mr. Garrison said there were no suitable incinerators to destroy the 55-gallon drums of Kepone in the U.S.

Re-Chem claims to be world leaders in chemical waste disposal.

Dr. Arnold Coleman, Re-Chem managing director, said Kepone had been described quite inaccurately as a killer. "Kepone is just another chemical. We already destroy far more toxic chemicals at our other three plants in Britain."

"There is no chance of Kepone's getting into the atmosphere. It would be shipped from America in a sealed container and in drums which would go straight into the incinerator."

Pontypool residents met last night with the aim of getting the Re-Chem plant shut down.

Dr. Coleman said he had absolute confidence the executive would give the go-ahead for the destruction of the chemical. He had not given up hope of allaying local fears.

Dr. Coleman said he had absolute confidence the executive would give the go-ahead for the destruction of the chemical. He had not given up hope of allaying local fears.

Pontypool residents met last night with the aim of getting the Re-Chem plant shut down.

Dr. Coleman said he had absolute confidence the executive would give the go-ahead for the destruction of the chemical. He had not given up hope of allaying local fears.

Pontypool residents met last night with the aim of getting the Re-Chem plant shut down.

Dr. Coleman said he had absolute confidence the executive would give the go-ahead for the destruction of the chemical. He had not given up hope of allaying local fears.

Pontypool residents met last night with the aim of getting the Re-Chem plant shut down.

Dr. Coleman said he had absolute confidence the executive would give the go-ahead for the destruction of the chemical. He had not given up hope of allaying local fears.

## Sun plan to print edition in Scotland

By Our Glasgow Correspondent

THE SUN newspaper has approached George Outram, publisher of the Glasgow Herald, to contract print its Scottish edition of about 200,000 copies.

Although negotiations have only just begun, The Sun hopes to have reached agreement by the beginning of next year when Outram is due to move into the former Scottish Daily Express and Scottish Daily News building in Albion Street.

The building is being re-equipped with photo-composition equipment under a £10m. scheme for the Herald and Evening Times newspapers.

## Competition

Mr. Bert Hardie, managing director and chief executive of The Sun and the News of the World, said yesterday he believed that if it had Scottish printing facilities The Sun could greatly increase sales north of the border, where it is in competition with Mirror Group newspapers' Daily Record and also to a lesser extent the Daily Mirror itself.

Mr. Hardie said that at present about 170,000 copies of The Sun—published by News International—are being transported daily from London to Scotland, rising to a peak of 200,000 during the summer tourist season.

The Sun is not planning an increase in its editorial staff in Scotland, which is only three journalists, all based in the News of the World office in Glasgow.

## Board mill extension deals signed

Financial Times Reporter

THAMES BOARD MILLS has signed the main contracts for a £55m. extension of its Workington pulp and board manufacturing plant.

The new plant is scheduled to start production in 1980. Beloit Walmsey of Bury is to build a 5.4 metre board-making machine with a capacity of 100,000 tonnes.

Taylor Woodrow Construction is to undertake the civil engineering work. Site work is due to start this month. Civil consultants to the project are Baxlie Shaw and Morton of Glasgow.

Thames Board Mills, a subsidiary of Unilever, is to receive £25.5m. in Government subsidy for the project. About 255 jobs will be created in the mill, and a further 350 in the forestry and transport industries of Scotland and the North of England.

## Bryant directors jailed in corruption case

FINANCIAL TIMES REPORTER

A DIRECTOR and two former directors of the Bryant construction group were yesterday given jail sentences of up to five years on corruption charges.

The three men had pleaded guilty at the Old Bailey to charges arising from the corruption in 1974.

Earlier this week, Mr. Alan Christopher Bryant, chairman and managing director of Bryant Holdings, was cleared by an Old Bailey jury of two charges of conspiracy to corrupt.

He told the court he had never had the slightest suspicion that corruption was taking place and had no idea that documents were being falsified and names deleted from hotel bills.

Bryant Holdings is a civil engineering, housebuilding and property development group based in Solihull, West Midlands.

In its last financial year it reported a pre-tax profit of £2,000,000 on a turnover of £85m.

The group's interim figures scheme designed to bribe a large number of people from whom first-half pre-tax figure of £1.17m. was thought worth while to

pooling period the previous year. Recipients of gifts ranged from clerks of works up to aldermen, chairmen of committees of the group, and indeed, any

Woodrow recently purchased a 5.25 per cent stake, operates throughout the U.K. and has recently started contracting you, Hubball, once the balloon operations in the Middle East had gone up, exhibited a degree of frankness which I think was

The three men sentenced yesterday were Mr. Maurice Bryant, who was jailed for five years and banned from holding a company directorship for open in your dealings with police. But that, unhappily, after the trouble had broken

Corruption on the scale this case has revealed is a serious matter of public interest. It is not in my view to be treated.

Mr. Brian Appleby, QC, Hubball, said he was based a decent, honest and hard-working man. He had been employed by Bryant's all his working life and had made his way up a quantity surveyor to company director.

Mr. Elliott Cox, QC, for the Bryant company, said the Bryant company rose from school and rose rapidly. "If he had a fault, and he would not be here, it was an excess of zeal and loyalty to the company and to its local

Barwick, said Mr. Cox. Mr. Philip Otton, QC, Samuel, said his client's usefulness was that he was a bachelor readily available to make up a party and on occasions to organise one.

Samuels first went on a trip to Ireland in 1967, a replacement for Hubball, first these trips were enjoyed, said Mr. Otton.

But after Maudsley's relationship with his client, a Mrs. Sam, he would excuse to get to Ireland as often as possible. As he became greedy and demanding, Sam and the other directors felt had to fall in with his wish

He continued: "No one can look at the many closely cropped beards recording regular bribes distributed by the Bryant company without a feeling of revulsion."

Addressing Barwick, a senior in its last financial year it reported a pre-tax profit of £2,000,000 on a turnover of £85m.

The group's interim figures scheme designed to bribe a large number of people from whom first-half pre-tax figure of £1.17m. was thought worth while to

pooling period the previous year. Recipients of gifts ranged from clerks of works up to aldermen, chairmen of committees of the group, and indeed, any

Woodrow recently purchased a 5.25 per cent stake, operates throughout the U.K. and has recently started contracting you, Hubball, once the balloon operations in the Middle East had gone up, exhibited a degree of frankness which I think was

The three men sentenced yesterday were Mr. Maurice Bryant, who was jailed for five years and banned from holding a company directorship for open in your dealings with police. But that, unhappily, after the trouble had broken

Corruption on the scale this case has revealed is a serious matter of public interest. It is not in my view to be treated.

Mr. Brian Appleby, QC, Hubball, said he was based a decent, honest and hard-working man. He had been employed by Bryant's all his working life and had made his way up a quantity surveyor to company director.

Mr. Elliott Cox, QC, for the Bryant company, said the Bryant company rose from school and rose rapidly. "If he had a fault, and he would not be here, it was an excess of zeal and loyalty to the company and to its local

Barwick, said Mr. Cox. Mr. Philip Otton, QC, Samuel, said his client's usefulness was that he was a bachelor readily available to make up a party and on occasions to organise one.

Samuels first went on a trip to Ireland in 1967, a replacement for Hubball, first these trips were enjoyed, said Mr. Otton.

But after Maudsley's relationship with his client, a Mrs. Sam, he would excuse to get to Ireland as often as possible. As he became greedy and demanding, Sam and the other directors felt had to fall in with his wish

He continued: "No one can look at the many closely cropped beards recording regular bribes distributed by the Bryant company without a feeling of revulsion."

Addressing Barwick, a senior in its last financial year it reported a pre-tax profit of £2,000,000 on a turnover of £85m.

The group's interim figures scheme designed to bribe a large number of people from whom first-half pre-tax figure of £1.17m. was thought worth while to

pooling period the previous year. Recipients of gifts ranged from clerks of works up to aldermen, chairmen of committees of the group, and indeed, any

Woodrow recently purchased a 5.25 per cent stake, operates throughout the U.K. and has recently started contracting you, Hubball, once the balloon operations in the Middle East had gone up, exhibited a degree of frankness which I think was

The three men sentenced yesterday were Mr. Maurice Bryant, who was jailed for five years and banned from holding a company directorship for open in your dealings with police. But that, unhappily, after the trouble had broken

Corruption on the scale this case has revealed is a serious matter of public interest. It is not in my view to be treated.

Mr. Brian Appleby, QC, Hubball, said he was based a decent, honest and hard-working man. He had been employed by Bryant's all his working life and had made his way up a quantity surveyor to company director.

Mr. Elliott Cox, QC, for the Bryant company, said the Bryant company rose from school and rose rapidly. "If he had a fault, and he would not be here, it was an excess of zeal and loyalty to the company and to its local

Barwick, said Mr. Cox. Mr. Philip Otton, QC, Samuel, said his client's usefulness was that he was a bachelor readily available to make up a party and on occasions to organise one.

Samuels first went on a trip to Ireland in 1967, a replacement for Hubball, first these trips were enjoyed, said Mr. Otton.

But after Maudsley's relationship with his client, a Mrs. Sam, he would excuse to get to Ireland as often as possible. As he became greedy and demanding, Sam and the other directors felt had to fall in with his wish

He continued: "No one can look at the many closely cropped beards recording regular bribes distributed by the Bryant company without a feeling of revulsion."

Addressing Barwick, a senior in its last financial year it reported a pre-tax profit of £2,000,000 on a turnover of £85m.

The group's interim figures scheme designed to bribe a large number of people from whom first-half pre-tax figure of £1.17m. was thought worth while to

pooling period the previous year. Recipients of gifts ranged from clerks of works up to aldermen, chairmen of committees of the group, and indeed, any

Woodrow recently purchased a 5.25 per cent stake, operates throughout the U.K. and has recently started contracting you, Hubball, once the balloon operations in the Middle East had gone up, exhibited a degree of frankness which I think was

The three men sentenced yesterday were Mr. Maurice Bryant, who was jailed for five years and banned from holding a company directorship for open in your dealings with police. But that, unhappily, after the trouble had broken

Corruption on the scale this case has revealed is a serious matter of public interest. It is not in my view to be treated.

Mr. Brian Appleby, QC, Hubball, said he was based a decent, honest and hard-working man. He had been employed by Bryant's all his working life and had made his way up a quantity surveyor to company director.

Mr. Elliott Cox, QC, for the Bryant company, said the Bryant company rose from school and rose rapidly. "If he had a fault, and he would not be here, it was an excess of zeal and loyalty to the company and to its local

Barwick, said Mr. Cox. Mr. Philip Otton, QC, Samuel, said his client's usefulness was that he was a bachelor readily available to make up a party and on occasions to organise one.

Samuels first went on a trip to Ireland in 1967, a replacement for Hubball, first these trips were enjoyed, said Mr. Otton.

But after Maudsley's relationship with his client, a Mrs. Sam, he would excuse to get to Ireland as often as possible. As he became greedy and demanding, Sam and the other directors felt had to fall in with his wish

He continued: "No one can look at the many closely cropped beards recording regular bribes distributed by the Bryant company without a feeling of revulsion."

Addressing Barwick, a senior in its last financial year it reported a pre-tax profit of £2,000,000 on a turnover of £85m.

The group's interim figures scheme designed to bribe a large number of people from whom first-half pre-tax figure of £1.17m. was thought worth while to

pooling period the previous year. Recipients of gifts ranged from clerks of works up to aldermen, chairmen of committees of the group, and indeed, any

Woodrow recently purchased a 5.25 per cent stake, operates throughout the U.K. and has recently started contracting you, Hubball, once the balloon operations in the Middle East had gone up, exhibited a degree of frankness which I think was

The three men sentenced yesterday were Mr. Maurice Bryant, who was jailed for five years and banned from holding a company directorship for open in your dealings with police. But that, unhappily, after the trouble had broken

Corruption on the scale this case has revealed is a serious matter of public interest. It is not in my view to be treated.

Mr. Brian Appleby, QC, Hubball, said he was based a decent, honest and hard-working man. He had been employed by Bryant's all his working life and had made his way up a quantity surveyor to company director.

Mr. Elliott Cox, QC, for the Bryant company, said the Bryant company rose from school and rose rapidly. "If he had a fault, and he would not be here, it was an excess of zeal and loyalty to the company and to its local

Barwick, said Mr. Cox. Mr. Philip Otton, QC, Samuel, said his client's usefulness was that he was a bachelor readily available to make up a party and on occasions to organise one.

## Scotch whisky exports rise by 7%

EXPORTS of Scotch whisky totalled 24,775,000 proof gallons in the first three months of 1978, an increase of 7 per cent. compared with the same period last year.

Value was £142.37m., a rise for the first quarter and 17 cent. up on the corresponding period last year.

Last year Scotch whisky exports earned a record total of £152m.

Sales in the home market "much less buoyant" follow the last quarter's sales of 2.5 million bottles, said the Scotch Whisky Association. Tax action for 80 per cent of the sell price.

The latest Customs and Excise figures illustrate the way which Government income has fallen following the most recent increase in excise duty.

"In the first 10 months of financial year just ended revenue from duty on Scotch whisky by almost £25m. compared with the same period of the previous year," the association adds.

## Housing aid of £144.6m. given to London

By John Brennan, Property Correspondent

THE HOUSING Corporation plans to finance 9,600 new or renovated homes in London in 1978-79 at a cost of £144.6m.

London housing is to take 37 per cent of the corporation's expenditure next year, more than £89m. for house improvement and conversion of £54m. for the construction of 3,600 new homes.

The corporation is spending 11 per cent more on London this year "in recognition of both the scale of housing need and the ability of London's strong network of non-profit making registered associations to make the best use of the resources available to them."

The inner London boroughs that will share the bulk of this finance are: Brent, Camden, Hackney, Hammersmith, Harrow, Islington, Kensington and Chelsea, Lambeth, Lewisham, Newham, Southwark, Tower Hamlets, Wandsworth and Westminster.

For England as a whole the corporation is to make housing association loans of £388.9m. Its housing programme this financial year involved the building or improvement of 31,000 homes in England and 2,000 in Wales.

## Carved emerald brooch sold for record £14m.

AN EMERALD and diamond brooch, belonging to the Duke of Northumberland sold for £250,000 (plus the 10 per cent buyer's premium) at Sotheby's yesterday. It was an auction record for an item of jewellery sold in London and the price paid by Hilton Jewellers was comfortably above forecast.

The brooch was probably made

for the third Duke of Northumberland in about 1820, but it incorporates large emeralds almost certainly brought back from India by Clive, whose grand-daughter married the third Duke.

There is a large carving on the large emerald dating back to about 1620 and this would appear to be the earliest known example of a large gem carving.

All told the jewellery sale realised £545,385, with 13 per cent bought in. Mousell paid £16,000. for an unmounted sapphire weighing 6.15 carats. An emerald, pearl and diamond bangle of about 1845 sold for £11,500.

A Sotheby's auction of 19th century drawings and watercolours totalled £28,969, with 11 chairs and a pair of match per cent bought in. A 1925 view sofas

of Berlin by Lesser Ury sold for £7,000 and Le Massage, of Northumberland sold for £3,100. Another watercolour by Rosa Tentation du Livre, also sold for £3,100. Rebekah and Elizer Brunner, by Joseph Kr

Christie's held the first of a Continental picture auction secured two lots of stoneware produced by the V. tin Brothers. A vase by Mark Marshall sold for £1,600—

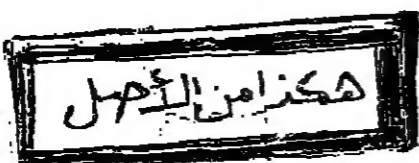
an auction record for this pottery. The London Sea paid £13,500 for a pair of 1 George II giltwood side table with marble tops in a sale

Christie's of English furniture totalling £194,140. A mahogany bureau cabinet probably made by William Vile made £13,600. In other lots, a Chinese Corom del lacquer 12-leaf screen of late 18th century, made £9,500. The London dealer Woods will

paid £7,500 for a set of chairs and a pair of match per cent bought in. A 1925 view sofas

To fill this space an ad. must be legal, decent, honest and truthful.

The Advertising Standards Authority.  
Write to: The Advertising Standards Authority Limited,  
15/17 Ridgmount Street London WC1E 7AW.



## TSB BASE RATE

With effect from the close of business on Thursday 20th April and until further notice TSB Base Rate will be 7½% per annum.

**TSB**

**TRUSTEE SAVINGS BANKS**

Central Board

P.O. Box 33, 3 Cophall Avenue, London EC2P 2AB.

# HOME NEWS

## Chemical plants to save more energy

By Kevin Done, Chemicals Correspondent

THE CHEMICAL industry, a leading user of energy both as fuel and feedstock, is taking steps to improve its conservation record.

Imperial Chemical Industries, one of the largest U.K. companies, has cut the average amount of energy it uses to make a standard weight of product by about 18 per cent since 1972.

It estimates that if usage had continued at the 1972 rate, it would have cost an extra £40m last year.

The most significant savings have come from the use of radically new plants and processes.

But energy expenditure has also been cut by the better running of existing plants and by process modifications.

In the specialty chemicals sector, Joseph Crosfield, a subsidiary of Unilever, has cut its energy use by about 15 per cent, announced yesterday.

This has been achieved partly by re-cycling of heat energy and partly by plant modification.

Crosfield now spends about \$4m a year on oil, electricity and natural gas, an annual reduction of \$500,000.

Total spending on energy saving projects over three years is about £1m. And further expenditure has been sanctioned to improve furnace design.

However, the greater part of the chemical industry's total energy consumption is still accounted for by a small group of large companies. Among them P Chemicals announced last year that it was spending £25m-£40 energy saving projects.

Aldrich and Wilson, the phosphorus chemicals manufacturer, says that it is now saving energy at a rate of £2.5m a year.

Since it began a campaign to stop energy waste, it is also planning further £1.7m saving through investment in new equipment and plant.

The Greater London Council soon to carry out the first stage of a survey into waste produced by industry and commerce.

Dr. Gordon Taylor, chairman of the GLC's public services and city committee, said: "We are relatively little about the waste produced in London's 25,000 industrial and commercial premises. The results of this major London-wide survey will enable the GLC to assess the quantity and types of industrial waste and plan for safe and efficient disposal well into the 1990s."

## Shell denies Liberal claim of 'opting out'

By RAY DAFTER, ENERGY CORRESPONDENT

THE SHELL oil group last night denied allegations that it had opted out of its "social responsibility" by ending supply contracts with 1,500 petrol stations.

Mr. Malcolm Bruce, deputy chairman of the Scottish Liberal Party, said yesterday that he had written to Mr. William Rodgers, Transport Minister, expressing his "concern" at the move.

"It seems to me that Shell is opting out of its social responsibility to supply petrol on reasonable terms in country areas," he said.

"If other major oil companies were to follow suit, the results could be disastrous, making life in rural areas—already suffering from high cost—prohibitively expensive."

Mr. Bruce also called on the Government to consider a flexible petrol tax to encourage parity between urban and rural petrol prices.

Shell said that Mr. Bruce had mis facts wrong. The group had written to 1,500 small garages in rural and urban areas telling retailers that, over the next five years, it would not be renewing exclusive supply contracts.

Under those contracts, Shell supplied petrol at a discount when local competition forced down pump prices, provided advertising equipment and helped with maintenance and decoration.

In future, Shell would be prepared to sell petrol to these sites on a commercial basis but it would not renew dealer contracts.

Contracts involving small deliveries were not a commercial proposition, Shell said.

The Royal Dutch/Shell Group's latest annual report says that because of surplus capacity throughout the oil business and strong competition, the group was concentrating its investment in the retail sector on renewing assets and restructuring networks to obtain greater efficiency.

In the difficult market situation of 1977, the importance attached by customers to the Shell brand confirmed the value of this asset and the need to preserve it.

Dr. Austin Pearce, chairman of Esso Petroleum, says in his annual report that Esso is not making an adequate return on downstream businesses. Competitive pressures prevented companies charging prices that would be permitted under Government regulations.

Even so, volumes of oil products handled by Esso last year grew a little and were ahead of the national rate of increase. The report also says that Esso is expected to spend an extra £1bn on North Sea exploration and development in the next five years.

The group was already committed to spending £1bn on projects like the Brent Field development.

Labour News, Page 11  
Shell and Esso reports, Page 26

## BR renews attempts to sell station site

By OUR MIDLANDS STAFF

THE British Rail Property Board yesterday met Birmingham local authority representatives to discuss the derelict six-acre Soow Hill Station site.

In 1973 planning consent was granted for offices and a sports complex on the centre-city site but the scheme was abandoned after the property market collapsed.

BRPB is prepared to sell part of the site and has reopened negotiations with the local authority, which owns a small corner.

Developers are to be invited to submit proposals for offices, a leisure centre and possibly a casino.

Three and a half acres of the site are reserved for a bus and train interchange, with offices built above.

However, uncertainty about the way in which the development land tax would be applied seems likely to limit interest by developers unless the local authority can offer incentives under the Inner Cities Renewal Scheme.

The Board has sold 280 acres of its property to West Midlands local authorities in the past 40 years and sale of another 32 acres is being negotiated.

Five industrial/warehousing sites totalling 620,000 square feet on 35 acres in Birmingham, Wolverhampton and Halesowen are under development, while a £7m scheme at Walsall Station was started in January by Prudential nominees and the Rugby-based Viking Property Group.

## East Anglian bus company loses £½m.

EASTERN Counties Omnibus Company, which operates services in East Anglia, made a loss of more than £569,000 in Norfolk last year, £138,000 more than the previous year.

The company may get a subsidy of £300,000 from Norfolk County Council to keep buses on the road.

The county highways and transportation committee, which meets next week, is being recommended to pay the £300,000 subsidy which is £50,000 more than last year.

The bus company raised fares in January by 11.5 per cent, but says increased fares are not matching rising costs.

## Merchants urged to support paper industry

Financial Times Reporter

PAPER merchants were told by their association's new president last night that they should give better support to the U.K. manufacturing industry.

Mr. Tony King-Smith, president of the National Association of Paper Merchants, said at the annual meeting that overcapacity in the industry was creating a weak market, while production costs were still rising.

Merchants should reappraise the support they gave through sales promotion to British paper and board manufacturers. At the same time the mills should take a positive attitude towards the merchants.

He said: "The very survival of the British paper and board manufacturing industry depends on the strength of the home market."

"Without a strong British paper and board manufacturing industry our position as distributors of these products would be seriously eroded."

مكازم الجمل



We see it as something to build on.

UBM Overseas Limited are honoured to receive the 1978 Queen's Award for Export Achievement. And, to be honest, we're also a little awed. Because it's the first time this honour has ever been conferred upon a specialist supplier of building materials. It's the result of much hard work over the last few years.

We're part of UBM Group Ltd, the Builders Merchants who offer a complete service to the Building Industry. To us, the Queen's Award isn't the end of our achievements. It's only the start.

UBM Group Limited  
Group Head Office  
Avon Works  
Winterstoke Road  
Bristol  
Avon BS99 7PL  
Tel: 0272 664611

UBM Overseas Ltd  
PO Box 78  
Ashton Road  
Bristol  
Avon BS99 7EW  
Tel: 0272 633315  
Telex 449102 UBMOC



# Nothing succeeds like success.

For Minet, one success leads to another.

In 1973, we won The Queen's Award, the first Award ever to be made in the field of insurance broking.

This year, we've done it again. Which makes us the first insurance

brokers to receive this coveted Award twice.

Doubling our overseas earnings in the last three years alone is significant in itself.

Being honoured in such a tangible way makes a notable achievement that much more special.



The name that's recognised for insurance around the world

Minet Holdings Limited, Minet House, 66 Prescott Street, London E18BU.

RATE

Business  
Base Rate

INGS BANK

# The Queen's Awards

## FOR EXPORT AND TECHNOLOGY

Her Majesty the Queen has made 107 Awards to British companies for export achievement this year and 17 for technological achievement. The following were among the winners.

### AWARDS FOR Export Achievement

#### Alginate Industries

THE ONLY U.K. manufacturer of alginate acid and related products derived from seaweed, the company exports to markets throughout the world and has more than doubled the value of its exports, which represent about 75 per cent of total sales over a three-year period.

#### The Associated Portland Cement Manufacturers Ltd.

A LEADING manufacturer of cement and allied products which also supplies plant and equipment for cement manufacture as well as offering consultancy services in the specialised sector. Its products, under the brand name Blue Circle, are exported to over 100 countries.

#### Balfour Beatty

CIVIL, electrical and mechanical engineers and contractors, this company, whose previous export achievements were recognised by an Award in 1975, have continued to expand their activities on a world-wide basis and more than doubled their overseas earnings over a three-year period.

#### Bland Payne Holdings

THE PARENT of a group of international insurance and reinsurance brokers which has concentrated on developing overseas markets and in acquiring expertise in such specialised areas as oil exploration insurance, the company's operations are world-wide and it has established local offices in all the important markets.

#### Booker Agriculture International

PART OF Booker McConnell, the company provides management, consultancy, technical, training and other services for agricultural and agro-industrial projects in the tropical, subtropical and arid areas. The skills employed include: agronomy, agricultural engineering, irrigation and drainage; pedology; factory engineering and technology; project planning and design; manpower development and training. Over a three-year period, overseas earnings have more than doubled.

#### British Steel Corporation (Overseas Services)

THIS SUBSIDIARY of the British Steel Corporation provides integrated packages for the assessment, planning, construction, and operation of new or existing steel-related developments overseas. This includes technical, management, design, engineering, financial, commercial, and operational services, as well as training for both management and operatives.

#### Conference Services

THIS SMALL company of conference organisers, co-ordinators, and administrators specialise in the organisation of international conferences held in the U.K. by overseas associations, or by associations where the majority of participants come from overseas countries.

#### Costain International

PART OF Richard Costain, Costain International is an international contractor for civil engineering and building construction. It also provides design, procurement and construction and insurance and management services including the supply of U.K. goods and services for the civil engineering industry. The principal overseas markets are in the Middle East and overseas earnings have shown a substantial increase in each of the past three years.

#### Michael Davis (Shipping)

MICHAEL DAVIS (Shipping) is a firm of specialist packers and shippers of furniture, reproduction furniture, antiques, fine art, glassware, china and related fragile freight have increased their exports more

than three-fold over the past three years. Export markets are world-wide, the most important market area being North America where a subsidiary company has been established in California.

#### Eilers & Wheeler (U.K.)

THIS SMALL company exports natural and special butter, cheese and milk products to Holland, Belgium, France and Germany. They are probably unique as exporters of specialised butter and this overall achievement in exporting dairy products to countries which traditionally supply these products to the U.K. market is a notable one.

#### Elliott Turbomachinery

MANUFACTURERS of steam turbines, lubricating and sealing systems and compressors for oil, gas and petrochemical industries, the company's principal markets are in Eastern Europe, the Middle East, Canada, Latin and South America and the value of the firm's exports have increased seven-fold over a three-year period.

#### The International Division of EMI Records

WITH RESPONSIBILITY for the international sales and marketing of gramophone records and pre-recorded tapes, this division exports to over 200 countries and also earns pressing fees from overseas companies which manufacture the products under licence. Over a three-year period, overseas earnings have doubled.

#### Ever Ready Co. (Holdings)

EVER READY manufactures batteries and battery components as well as electrical accessories, exporting to Africa, the Americas, the Middle and Far East, and Western Europe. Over a three-year period, exports have nearly doubled and now form 40 per cent of total sales.

#### Ewhank & Partners

THIS FIRM of consulting mechanical and electrical engineers specialising in the power generation field offer a wide range of services including engineering and management consultancy and project management on engineering, financial and organisational matters.

#### Fisons—Pharmaceutical

THE DIVISION manufactures a wide range of medical veterinary dietary and toiletry products of which medical products make up 80 per cent of exports. Exports, which have almost doubled over a three-year period, are made to virtually all countries in the world the most notable product being "Intal", a treatment for asthma, for which the Division received the Queen's Award for Technological Achievement in 1971.

#### GEC Measurements

PART OF the General Electric Company, GEC Measurements designs and produces measuring instruments and protective devices for use with electrical power systems. The company exports to all areas of the world and has recently made significant advances in Bahrain, Brazil, Dubai, New Zealand, Poland, Sharjah and Venezuela. Over a three-year period, exports have more than doubled and exports form a substantial proportion of total sales.

#### Grest Exports

THIS COMPANY of export merchants and managers exports electrical contracting materials, automotive parts and accessories and some other goods principally to Nigeria but has recently opened up new markets in Thailand and Kuwait. The value of the firm's exports has increased over 20 times over the past three years.

#### International Aviation Services (U.K.)

THIS COMPANY trades as IAS Cargo Airlines and is engaged in transporting a wide variety of cargo, including livestock. It provides exporters with a regular air-cargo service to Africa, Asia, Australia

and the Middle and Far East. Over a three-year period, overseas earnings have nearly quadrupled.

#### Invicta Plastics

MANUFACTURERS OF "Master Mind" and other games, as well as a wide range of plastic products which are exported virtually throughout the world. The value of its exports has increased more than five-fold over the period covered by the application and now accounts for well over 50 per cent of total turnover.

#### Justerini & Brooks

A SCOTCH WHISKY distiller and blender, which has won two previous Awards and has continued to expand its export sales, which now represent some 97 per cent of its total sales. Its main product J & B Rare is sold in virtually all countries other than those for which prohibit the import of Scotch whisky.

#### Kodak

A SUBSIDIARY of the Eastman Kodak Company of U.S., Kodak is the largest U.K. producer of photographic materials and equipment. The principal export markets are in Western Europe and Nigeria and the value of exports has almost doubled over a three-year period.

#### Marconi Avionics

THIS COMPANY, a subsidiary of the General Electric Company manufactures advanced avionics systems for aircraft, including head-up displays, weapon aiming systems, automatic flight control systems, airborne radars and radio navigation and communication systems.

#### Hydrographic Department, Ministry of Defence

THE HYDROGRAPHIC DEPARTMENT compiles, produces and distributes a series of navigational and miscellaneous charts and hydrographic publications. These Admiralty charts and publications facilitate the safe passage of shipping in all parts of the world. Sales of these charts and publications are worldwide and over the past three years the Department has more than doubled its direct export sales, which now account for over 50 per cent of total sales.

#### The Pacific Steam Navigation Company

THE COMPANY operates liner shipping services to the Caribbean and Latin America and has doubled its turnover in the past three years. All the Company's ships are British built and two new vessels will shortly enter service.

#### Petter Power Generation

PETTER POWER, a Hawker Siddeley Group company, manufactures diesel generating sets. It exports world-wide, but principally to the Middle and Far East and to Africa. Exports have increased more than four-fold over a three-year period and have now reached over 50 per cent of total sales.

#### The Electronic Exchange

THIS DIVISION of the Plessey Company manufactures electronic exchanges for installation in public telephone networks. These electronic exchanges are specifically designed to meet the needs of the overseas administrations. The Division exports to the Middle and Far East, Africa, South America and the USSR.

#### Portakabin

PORTAKABIN exports portable accommodation units principally constructed of steel and timber for industrial purposes, offices, living accommodation and recreational use, etc.

#### The Pullman Kellogg Division of Pullman Inc. in the U.K.

THE DIVISION is responsible through two companies in the U.K. for the provision of a fully integrated engineering contracting service specialising in the engineering



Mr. Jim Moorfoot, chairman of Kodak, with an EK6 Instamatic camera (left) and an IAS Cargo Airlines DCS freighter.

design procurement and construction of oil refineries, petrochemical and chemical plants.

#### Ratsey and Laphorn

SAILMAKERS since the days of sailing ships, and weavers of sailcloth since 1865, Ratsey and Laphorn exports to Africa, Australasia, Middle and Far East, North America, Scandinavia and Western Europe. Over a three-year period, exports have nearly trebled and form nearly 70 per cent of total sales.

#### Royal Doulton Tableware

THE LARGEST U.K. producer of china, handmade full-fired crystal and hotelware, Royal Doulton exports two distinct ranges, domestic ware and hotelware and has secured markets for these products throughout the world. Notable orders which have been obtained included special items for King Hussein of Jordan's Silver Jubilee. The firm have been consistent exporters for many years and the value of their exports has increased substantially over the past three years.

#### Ruston Gas Turbines

A MEMBER of the GEC group this company manufactures industrial gas turbines in the range 1,500 brake horse-power to 6,000 brake horse-power. These turbines

are specifically designed for use by the oil and gas industries and exports are made worldwide, principally to markets which are oil and gas producers.

#### Sheerness Steel Co.

THE COMPANY exports steel bars and rods for construction and engineering applications to a wide range of markets in Europe and the developing countries. The value of its exports has increased more than five-fold over a three-year period.

#### Simon-Hartley

THIS COMPANY, a subsidiary of Simon Engineering, designs and manufactures specialised plants for the treatment of sewage and trade effluent and special requirements are incorporated to suit the specific needs of the territory when the plant is to be installed.

#### John Taylor & Sons

A LEADING group of consulting engineers specialising in feasibility study, design and contract supervision of water supply and public health engineering projects. The company has undertaken projects in most parts of the world and in particular has had continuous experience in the Middle East over the past 20 years on a number of important and prestigious

projects. Its overseas earnings have increased more than six-fold over the three years.

#### Transportation Systems Market Research

THIS BRITISH RAIL subsidiary provides transport consultancy services mainly the railway industry, comprising research feasibility studies, engine design, supervision of construction, financial and management appraisal, training and computer projects.

#### Tufting Industries

THIS VERY SMALL company exports tufted bedspreads and dressing gowns made by two associated subsidiaries of Simons Group Ltd, itself a subsidiary of Total.

#### Wiggins Teape

WIGGINS TEAPE is a manufacturing commercial and specialty papers have been exported to some 150 countries throughout the world. Previous achievements were recognised by a grant of Awards in 1966 and 1971 and the company's present achievement in doubling the value of its exports over a three-year period is particularly worthy in that it covers a period of sharp recession in the world paper market.

### AWARDS FOR Technological Achievement

#### The Nondestructive Testing Centre

THIS CENTRE, part of the United Kingdom Atomic Energy Authority, gains the Award for the development, in collaboration with Rolls-Royce, of techniques in high energy radiography. The process is used in the development of gas turbine aero engines where it is claimed to have brought about major improvements, shortened timescales and provided positive data where only inferences were available beforehand.

#### CJB Offshore

CJB OFFSHORE, a subsidiary of John Brown and Company, gains the Award for the design and development of production platform facilities and support structures for use with the Thistle Field in the North Sea, where it supports a total of 60 wells and is installed in water depth of 330 feet.

#### Dowty Mining Equipment

THIS FIRM, a subsidiary of the Dowty Group, gains the Award for the development of control systems used with powered roof supports in mines. The product enables powered supports to be advanced in a shorter time cycle, thus improving productivity while maintaining operator safety.

#### East Malling Research Station

THIS RESEARCH STATION gains the Award for the development, in collaboration with Wye College, of hop plants of greatly improved performance due to freedom from virus infection. The research station also identified wilt-resistant

varieties and devised cultural methods which are claimed to have increased the productivity and profitability in the main growing areas of Kent and Sussex. The research station is granted by the Agricultural Research Council.

#### The Pharmaceuticals Division of Imperial Chemical Industries

THIS DIVISION gains the Award for the development of Tamoxifen, an anti-oestrogen drug which is used in the treatment of breast cancer. The drug is marketed under the trade name "Nolvadex". Exports now account for nearly 70 per cent of total sales.

#### The Plant Protection Division of Imperial Chemical Industries

THE DIVISION gains the Award for the development of pirimiphos-methyl, an insecticide which is claimed to be both versatile and outstandingly safe. The product is marketed under the trade name "Actelle". "Silosan" and "Blex" and is used to control a wide variety of pests including, among many others, ants, aphids, caterpillars, fleas, mites and mosquitoes. It has applications in agriculture, horticulture, public health and domestic situations.

#### The Research and Development Department of the Pilkington Group

THE AWARD is gained for the development of alkali-resistant glass fibre for the reinforcement of cement products. The pioneering work was done by the Building Research Establishment and Pilkington's

were granted a licence by the National Research Development Corporation to carry out the commercial exploitation of the product. The new technology is established world-wide for the production of components for the building and industries, such as pipes, cladding and work, ducting and housing and

#### Racal-Dana Instruments

RACAL-DANA instruments is a subsidiary of Racal Electronics and gains the Award for the development of synthesised generators. The instruments work in the range 100 KHz to 160 MHz and designed primarily for the support testing of the "Glasman" range Military communication systems. It is programmable. Exports now account some 25 per cent of total sales.

#### The Advanced Projects Department, Test Operations of Rolls Royce

THIS DEPARTMENT, part of the Division of Rolls-Royce Ltd, gains the Award for the development, in collaboration with the Nondestructive Testing Centre at Harwell, of techniques for high energy radiography in the development of gas turbine aero engines.

#### Department of Hop Research Wye College

THIS RESEARCH DEPARTMENT gains the Award for the development, in collaboration with the East Malling Research Station, of new varieties of plants with increasing breeding value disease resistance, combined with freedom from virus infection. The new varieties are claimed to give higher yields and improved profitability.

### AWARDS FOR EXPORT ACHIEVEMENT AND TECHNOLOGICAL ACHIEVEMENT

#### Export Achievement

Company	Principal Products or Activity
A. & J. (Staples)	Stapling equipment
A. E. Autoparts	Engine components
AGA Navigation Aids	Marine navigation aids
The Cryogenic Systems Division of Air Products	Cryogenic process plant and equipment
Alginate Industries	Chemicals
Aljose Fashions	Dresses
Anco Production (Portsmouth)	Men's clothing
Arto Chemicals	Synthetic rubbers, etc.
The Associated Portland Cement Manufacturers	Cement
B & W Loudspeakers	Loudspeakers
Balfour Beatty	Civil engineers and contractors
Bearings (Non-Lube)	Thermoplastic bearings
Blacks of Greenock	Camping equipment
Bland Payne Holdings	Insurance brokers
Booker Agriculture International	Agricultural consultancy
Boythorpe Cropstores	Agricultural storage equipment
Bradbury, Wilkinson & Co.	Security documents
Brathwaite & Co. Structural	Structural steelwork and steel storage tanks
British Steel Corporation (Overseas Services)	Project services for steel
David Brown Tractors	Agricultural machinery
Frans Buitelaar	Meat, livestock and meat products
Camrex	Marine coatings
Carnation Foods Co.	Evaporated creamers
Hamish Cathie Travel Scotland	Travel agents
Clan Laird Fashions Scotland	Ladies' and children's outerwear
Conference Services	Conference administration
Conoco	Petroleum products
The Magnetic Media Manufacturing Division of Control Data	Computer disc packs

Coronet EM	Pumping equipment and generating sets
Costain International	Civil engineering contractors
D J B Engineering	Articulated dump trucks
Davies Turner & Co.	Freight forwarders
Michael Davis (Shipping)	Specialist packers and shippers
Dawson-Keith Electric	Generating sets
Thomas De La Rue & Co.	Security printing
Dundee Fabrics	Fabrics
Eilers & Wheeler (UK)	Dairy products
Elcometer Instruments	Measuring and test instruments
Electrosonic	Electronic control equipment
Elliott Turbomachinery	Turbines and compressors
The International Division of EMI Records	Records and tapes
The China Division of English China Clays	China clay
Ever Ready Co. (Holdings)	Batteries and electrical equipment
Ewhank & Partners	Consulting engineers and project managers
Farrow Irrigation	Irrigation equipment
The Pharmaceutical Division of Fisons	Medical, veterinary and dietary products
Flogates	Refractory sliding gates
Forest Thinnings	Logs
GEC Measurements	Integrating meters, protective relays, etc.
General Instrument Microelectronics	Integrated circuits
Glenhill Furnishing	Furniture
W. R. Grace	Chemicals
Grest Exports	Export merchants and managers
Gumson's Srotex	Colour sorting equipment
William Hare C. E. Heath & Co.	Structural steelwork
Hestair Dennis	Insurance brokers
L. B. Holliday & Co.	Specialist vehicles
The Aviation Division of Alexander Howden Insurance Brokers	Dyestuffs
Howden Insurance Brokers	Aviation insurance brokers
International Aeradio	Technical services for aviation
International Aviation Services	Cargo airline
International Generics	Toilet preparations and pharmaceuticals
Invicta Plastics	Plastic toys, games and housewares
J K Lasers	Pulsed solid state laser equipment

James Johnston & Co. of Elgin	Woolen goods
Justerini & Brooks	Scotch whisky
Kangol Wear	Millinery
Kodak	Photographic apparatus
Kwikform	Scaffolding systems
Mabey & Johnson	Unit construction bridging
Magnetic Components	Magnetic recording heads
Marconi-Elliott Avionic Systems	Avionic systems for aircraft
Medelec	Electro-physiological instruments
Mint Holdings	Insurance brokers
The Hydrographic Department of the Ministry of Defence	Charts and hydrographic publications
The Royal Ordnance Factories of the Ministry of Defence	Munitions
A. H. Moody & Son	Yachts
Alan Newman	Furniture
Ogdens (Osley)	Construction equipment
The Pacific Steam Navigation Co.	Ship operators
Frederick Parker	Asphalt mixing and related plant
Petter Power Generation	Generating sets
The Electronic Exchange Division of Plessey Telecommunications	Electronic telephone services
Portakabin	Portable accommodation units
The Pullman Kellogg Division of Pullman Incorporated in the United Kingdom	Petroleum and petrochemical contracting
Ratsey & Laphorn	Sails and sailcloth
Rowntree Macintosh	Confectionery
Royal Doulton Tableware	Puttery and glass
Ruston Gas Turbines	Gas turbines
SGB Export	Steel scaffolding and concrete form-work
The Serck Glocon Division of Serck Audco-Valves International	Automatic process control valves
Sheerness Steel Co.	Steel
Shedland Boats	Glass fibre cabin cruisers
Shubette of London	Ladies' and children's outerwear
Simon-Hartley	Sewage treatment plant
Simon-Vicars	Cake and biscuit manufacturing plant
The Link-Miles Division of The Singer Co. (UK)	Flight and armoured vehicle simulators
Hugh Smith (Glasgow)	Heavy machine tools
Solex Canners	Soft drinks

South Wales Switchgear	Switchgear
Spax Decks	Steel roofing, steelwork
John Taylor & Sons	Consulting engineers
Transportation Systems & Market Research	Transportation consultancy
Tufting Industries	Dressing-gowns and bedspreads
UBM Overseas	Building materials
White Horse Distillers	Scotch whisky
Wiggins Teape	Commercial and specialty papers
Technological Achievement	
The Acoustical Manufacturing Company	An audio frequency amplifier circuit
The Nondestructive Testing Centre of the Atomic Energy Research Establishment	Dynamic studies for gas turbine engines
APC Subcon Services	Underwater welding
Racal-Dana Instruments	Signal recovery instruments
CJB Offshore	North Sea oilfield production platform facilities
Dowty Mining Equipment	Control systems for powered mine roof supports
East Malling Research Station	New varieties of hops
The Powder Forging Division of GKN Forgings	Powder forgings
The Mond Division of Imperial Chemical Industries	Inorganic oxide fibres
The Pharmaceutical Division of Imperial Chemical Industries	"Tamoxifen" for treatment of breast cancer
The Plant Protection Division of Imperial Chemical Industries	A broad spectrum safe insecticide
The Research and Development Department of the Pilkington Group	Glass fibre for reinforcement of cement products
The Research and Development Unit of Quantel	Application of digital techniques in television broadcasting
Racal-Dana Instruments	Synthesised signal generators
The Advanced Projects Department, Test Operations, of Rolls-Royce	Dynamic studies of gas turbine engines
The Research Institute of Smith Kline & French Laboratories	"Cimetidine" for treatment of peptic ulcers
The Department of Hop Research, Wye College	New varieties of hops and hop planting material

## LABOUR NEWS

## Scottish TUC calls for steel investment

BY CHRISTIAN TYLER, LABOUR EDITOR

THE THREAT hanging over the Glasgow steel plant in Ayrshire, where 1,400 are employed, was the focus yesterday of a trade union pledge to oppose the run-down of the Scottish steel industry.

Mr. Bill Sims, chairman of the TUC Steel Committee, told the Glasgow TUC in Aberdeen that the union movement would not sit idly by and see the closure of Glasgow's steel industry.

Mr. Sims, chairman of the TUC Steel Committee, told the Glasgow TUC in Aberdeen that the union movement would not sit idly by and see the closure of Glasgow's steel industry.

Mr. Sims, chairman of the TUC Steel Committee, told the Glasgow TUC in Aberdeen that the union movement would not sit idly by and see the closure of Glasgow's steel industry.

support for the Government's Devolution Bill. Unions are preparing a campaign to secure a Yes vote in the referendum proposed after the Bill receives Royal Assent.

Mr. Alex Kilson, of the Transport Workers, said the Scottish TUC Council did not like the idea of a referendum. He claimed it was open to abuse and would give the Press the chance to repeat the one-sided line it pursued on the Common Market referendum.

Delegates also carried a resolution asking for the Employment Protection Act to be strengthened on trade union recognition in the light of the Grimwade and the IBM surveys.

They backed the long-running fight for union recognition by print workers and journalists employed by the D. C. Thomson publishing group based in Dundee.

## NUBE bans Ford bank

By Nick Garnett, Labour Staff

THE National Union of Bank Employees is refusing to man a new Midland Bank sub-branch being built for Ford car workers at Halewood. In a further attempt to stymie any move towards extending banking hours.

The bank is to open at the beginning of next month and Ford is considering introducing more bank branches, with the co-operation of Midland, on its other sites.

The bank said yesterday that Ford had specified that the bank's opening hours had to take into account the company's shift system.

As a result, the bank is designed to open between 10 a.m. and 3 p.m. on three days and from 12 until 5 or 6 p.m. on the other two.

The working week would still be the standard 35 hours for bank staff and they would receive the 26 shift payments for late opening covered by a long-standing agreement between Midland and the union.

NUBE, which has been resisting attempts to introduce changes in banking hours, said it supported the Ford project but there was no justification for the bank opening outside normal hours. Union shop stewards at the Ford plant also supported this view.

Industrial action against the sub-branch was aimed at altering the proposed opening hours. Midland said the proposals had been put to both the Association of Scientific Technical and Managerial Staffs and NURE. ASTMS had agreed but NURE had failed to make a formal response until earlier this month.

Midland, which has been studying the idea of introducing more late afternoon opening hours, is seeking further talks with Ford.

## AUEW resists pay restraint

BY ALAN PIKE, LABOUR CORRESPONDENT

ANY ATTEMPT to impose pay controls in the next wage round will meet a chorus of condemnation from the Amalgamated Union of Engineering Workers national committee when it meets next month.

Of the engineering section's 26 divisions, 18 have tabled resolutions on free collective bargaining. They all resist the continuation of wage restraint in any form.

Some of the resolutions are phrased in a form which could lead the union into a collision with the Government if pay guidelines like the present 10 per cent. are again applied.

One instructs the union to resist "all forms of restrictions on any future wage negotiations" while another calls upon the union to "support any members involved in industrial action as a result of the Government's imposition to 10 per cent. or other limitations on wage claims."

Another resolution would compel AUEW leaders to support any other trade union which became involved in a dispute because of its opposition to wage restraint.

Many divisions have submitted resolutions demanding his increases in the engineering industry's minimum pay rates but as a new national agreement has only just come into effect, the committee may defer detailed consideration of these until later in the year.

Members of the national committee will also have to face a pressing internal issue—amalgamation—when they meet in Worth next month.

Successive attempts to bring the AUEW's four semi-autonomous sections into a fully-merged union have failed and the executive says in a report to the national committee that this has created a "very poor public image" and was causing other unions which might have joined the AUEW to seek amalgamation elsewhere.

The national committee's discussions on amalgamation will be the prelude to what promises to be an important debate when the full conference of the four sections meets the following week.

The executive reports that engineering section arrears have been reduced from £3,600,000 to £2,400,000 and that membership—after the removal of members in arrears—has shown a net increase of 10,948 to 1,180,104.

## There's a strong case for re-locating at KING'S LYNN

For firms...

King's Lynn offers manufacturers, importers and exporters one of the most modern docks along the East Coast with regular liner service to Hamburg and a cargo service to Greece, Cyprus and The Lebanon.

Labour relations are excellent—offices and factory buildings are available, and land is waiting for you to build on.

...for families

King's Lynn offers housing at every price level; good shopping, good education and hospital care, plenty of recreational facilities and a wonderful choice of country and sea-side to enjoy. The Royal Estate at Sandringham is 15 minutes away; beautiful beaches and the Norfolk Broads are all immediately accessible.



For further details please write or telephone: Ken Faulkner, Expansion/Public Relations Officer, West Norfolk District Council, Clifton House, Queen St., King's Lynn, Norfolk. Tel: 0553 61241.

WEST NORFOLK DISTRICT COUNCIL

## Shell clerical staff called on strike

BY PHILIP BASSETT, LABOUR STAFF

LEADERS of 800 white-collar workers at Shell oil terminals throughout Britain yesterday called their members out on an official strike from 8 a.m. this morning over a pay dispute.

The clerical staff, members of the Association of Scientific, Technical and Managerial Staffs and ACTSS, the white collar section of the transport workers' union, deal with the tanker drivers who pick up oil at the 48 Shell supply depots.

Most of the tanker drivers belong to the Transport and General Workers' Union, the parent union of ACTSS, and Shell officials fear that the effects of the clerical workers' dispute could be serious if the drivers either refuse to cross any picket lines or to take delivery tickets.

Shell and Esso reports, Page 26; Shell contracts, Page 9.

## Foremen's dispute spreads

By Arthur Smith, Midlands Correspondent

STRIKE action by foremen in Leyland Cars Rover plants spread yesterday, but the company is struggling with the co-operation of manual unions, to maintain output.

The strikers meet today to consider whether to continue their action. The disruption comes as a severe setback to efforts to meet the backlog of demand for Range Rover, Land Rover and saloon models.

Some 400 supervisors walked out in protest at continuous working during meal and other breaks. The system is an alternative to night shift which were opposed by production workers.

The foremen yesterday appealed for support to fellow ASTMS members and 135 paint technicians at Solihull, and supervisors in the engine and transmission plants joined in.

Four men at British Leyland's car assembly plant at Cowley voted yesterday to end the sanction, including an overtime ban, which they imposed two weeks ago. They did so after hearing a report on two meetings earlier this week on the foremen's pay claim.

## Perkins sit-in vote to-day

SEVEN thousand engineering workers employed by Perkins of Peterborough will vote this morning on whether to hold a sit-in.

Shop stewards are demanding the action in support of a pay claim because the company has refused to improve its latest offer of 10 per cent.

## Basnett attacks trade union competition

BY OUR LABOUR CORRESPONDENT

THERE is still too much "competitive trade unionism" which wastes time and resources, Mr. David Basnett, general secretary of the General and Municipal Workers' Union, argued in a statement circulated to officials of his union yesterday.

He suggested that the trade union movement should review its structure so that more amalgamations could take place. Mr. Basnett, who is this year's chairman of the TUC, told his officials that if the general council had not rejected proposals last month to give larger unions automatic general council membership it would, in the opinion of those who supported the proposal, have made the body more representative and more democratically composed.

"That rejection may lead to a questioning debate at Congress amalgamations could take place. It will certainly place greater emphasis on the need for other developments."

## Hansard dispute talks

BY OUR LABOUR STAFF

THE ADVISORY Conciliation and Arbitration Service is to intervene in a dispute at Her Majesty's Stationery Office which has held up production of Hansard and the London Gazette.

Normal working resumed yesterday, and an ACAS official will meet machine room workers.

## HUGH SMITH (GLASGOW) LTD

are proud to have won

the Queen's Award for Export Achievement for the third time.

Hugh Smith (Glasgow) Ltd. (a member of the Low & Bonar Group) is a world leader in design and construction of heavy machine tools for use in shipyards and industry generally.

HUGH SMITH (GLASGOW) LTD.,  
97, Hamilton Hill Road,  
Glasgow G22.  
Tel.: 041-336 4141



1978

THE RESEARCH INSTITUTE, SMITH KLINE & FRENCH LABORATORIES LIMITED  
is proud to announce the receipt of

## THE QUEEN'S AWARD FOR TECHNOLOGICAL ACHIEVEMENT

This award has been granted for the discovery and development of histamine  $H_2$ -receptor antagonists. The twelve-year research programme has culminated in the introduction of cimetidine for the control of gastric acid secretion and treatment of peptic ulcer disease.

The research work has already proved its real worth to patients in the United Kingdom and seventy-seven countries throughout the world.

**SK&F**  
a SmithKline company

SMITH KLINE & FRENCH LABORATORIES LIMITED Welwyn Garden City, Hertfordshire, England

## PARLIAMENT AND POLITICS

## Premier stresses pay role of public sector Ministers will try to restore clause

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE Prime Minister yesterday placed strong emphasis on the role of the public sector in any Phase Four pay policy which might be introduced in the summer when the present phase comes to an end.

He was answering Mr. David Steel, the Liberal leader, who made clear in the Commons that the Liberals want to see a Phase Four brought in.

Mr. Steel said that his party was dismayed at the response of the Scottish TUC to appeals from Mr. Tom Jackson, of the Union of Post Office Workers and Mr. Sid Weighell, of the National Union of Railwaymen, for union co-operation in Phase Four.

Mr. Steel suggested that in future meetings with the TUC the Prime Minister should make it clear that the Government would stick to Phase Four, preferably with the agreement of the unions.

This brought a taunt from the Tories that Mr. Steel's view was yet another signature on the death warrant of the Liberal Party.

Mr. Callaghan replied: "I am not yet in a position to discuss what happens after this phase of pay policy is over."

"As far as Mr. Weighell and Mr. Jackson are concerned, both of them are in the public sector and it is in this sector where the Government has a special responsibility and must take a view about pay."

He recalled that comments had been made by other trade union leaders in the public sector, notably by Mr. David Barnett of the General and Municipal Workers Union.

"It would be quite wrong at this stage to do anything other than try to win through on the current pay round," Mr. Callaghan added.

The Government would then be able to present the trade union movement with a state down and would stay in single figures for the rest of the year and that much would depend on being able to maintain it in single figures during 1979.

Mrs. Margaret Thatcher, Opposition leader, told Mr. Callaghan that the real problem was low output, with insufficiently skilled labour a limiting factor. "One of the reasons for that is that differentials are not sufficient to give proper rewards for skill and extra responsibilities."

She urged the Prime Minister to discuss with the TUC proposals to restore differentials.

Mr. Callaghan agreed that many of our problems were caused by low productivity. But the question of skilled labour had been discussed on a number of occasions at the National Economic Development Council and was under review by employers and trade unions.

This brought an accusation from Mrs. Thatcher that he was dodging the question. He would not get sufficient people training for extra skills until differentials were restored.

Vacancies in skill centres were being filled by foreigners and until differentials were restored, re-training programmes would not be taken up by the unemployed.

Mr. Callaghan observed that he did not object to foreigners filling the vacancies in the programmes since they went back home and tended to order goods from British firms. It was not for him to restore differentials but was a matter for negotiation between unions and employers.

BY PHILIP RAWSTORNE

THE GOVERNMENT is to attempt to restore the key clause in the Wales Bill deleted on Wednesday by an alliance of Conservative, Liberal and Nationalist votes.

Amid laughter in the Commons yesterday, Mr. James Callaghan agreed with Mr. Gwynfor Evans, the Welsh Nationalist leader, that the effect of the unexpected Conservative vote for the exclusion of the clause would be to make the legislation operative without a referendum.

"What the Conservative Party, which is opposed to devolution, has voted for is that the Bill should come into force immediately after Royal Assent without a referendum being held," Mr. Callaghan said. Conservatives had suggested the Bill was a sham.

Conservative leaders claimed yesterday that they had voted against the clause because of objections to one sub-section which provided for the Commons to override any vote in the Lords against a Government order implementing the legislation.

## Tories angered by 'speculation' over party plans for NHS

BY IVOR OWEN, PARLIAMENTARY STAFF

PRESCRIPTION charges should be increased and some limited changes made in the administrative structure of the National Health Service introduced by the last Conservative Government, Mr. Patrick Jenkin, shadow Social Secretary, told the Commons last night.

But he joined with other Tory MPs in repudiating a claim by Mr. David Ennals, Social Services Secretary, that the full range of proposals under consideration by Mrs. Margaret Thatcher and her shadow Cabinet would mean the end of the National Health Service in its present form.

The Minister had to battle against a barrage of interruptions from the Tory benches when he accused Opposition leaders of favouring the introduction of new health service fees, including payments for each visit to the doctor and "hotel charges" for stays in hospital.

He also insisted that a recent speech by Sir Keith Joseph, Mrs. Thatcher's chief policy adviser, indicated a desire by the Conservative Party to move away from the existing position with the National Health Service almost entirely financed from general taxation to a situation in which insurance contributions were its main source of finance.

Mr. Jenkin contended that the existing position was inevitably leading to a two-tier health service, one for the rich and one for the poor.

Tory MPs complained that Mr. Ennals was indulging in speculation about possible Conservative proposals for a massive new injection of funds into the NHS at the present stage because this would be unrealistic, but Conservative MPs believed that better use could be made of the money that was available.

The Opposition was not asking for a massive new injection of funds into the NHS at the present stage because this would be unrealistic, but Conservative MPs believed that better use could be made of the money that was available.

In the administrative sphere, an improvement could be obtained by allowing most decisions to be taken at district health authority level.

Amid Labour cheers, Mr. Ennals argued that Mr. Jenkin's willingness to indicate where the next Conservative Government intended to make administrative changes would increase suspicions that the Conservative proposals for introducing new health service charges were equally well advanced.

He underlined the fact that, in relation to the hospital service as a whole, there were few problems arising from industrial relations. The exceptions usually occurred at local level and invariably received great publicity.

"Our health service is too precious to be marred by irresponsible industrial action," he declared.

Mr. Ennals said discussions had taken place with doctors' leaders, nurses, midwives and trade unions in the health service and he hoped that these would lead to a code of practice being drawn up.

The aim must be to "define the industrial parameters" and improve local dispute procedures.

Mr. Ennals said discussions had taken place with doctors' leaders, nurses, midwives and trade unions in the health service and he hoped that these would lead to a code of practice being drawn up.

The aim must be to "define the industrial parameters" and improve local dispute procedures.

## SNP sees chance for open government

By Roy Parnham, Scottish Correspondent

PROCEDURES for making government and the Civil Service more accountable could be adopted by the proposed Scottish Assembly and have an influence on Westminster, according to the Scottish National Party.

In a policy document to be discussed at the party conference next month, the SNP says that in a devolved or an independent Scotland, Parliament must exercise effective control over government.

"One of the great failures of the U.K. Parliament has been its acquiescence in an ever-increasing transfer of real power to Ministers, their Ministries and outside bodies. This stems from the relative weakness of—and lack of information obtained by—ordinary backbench MPs."

The party proposes that in the Assembly a Scottish Parliament, standing committees parallel to the main Government departments should be able to review activities by the Executive and have full powers to question witnesses, call for evidence and make thorough investigations.

Prof. Noll MacCormick, chairman of the SNP policy group on government, said yesterday that the Official Secrets Act could stand in the way of the Assembly having such open access to information as the party would like. But members of the Assembly would be able to instruct their civil servants to disclose much more than Whitehall civil servants were now able to do.

The SNP also wants the Assembly to do away with the patronage which Prof. MacCormick claimed now existed in Scotland in the astonishingly large number of bodies to which members were nominated by the Secretary of State.

The number of such bodies would be cut and a committee elected by Parliament would scrutinise appointments.

## DPP warns on publication after MPs name secrets case colonel

THE DIRECTOR of Public Prosecutions warned last night that publication of the name of "Colonel B"—the intelligence officer in the Official Secrets Act case—could be contempt of court, even though he had been named by MPs in the Commons.

The warning came after four Labour MPs, Miss Joan Richardson, Mr. Christopher Price, Mr. Robert Kilroy-Silk and Mr. Ron Thomas, all used the colonel's name in the House.

MPs gasped and one Tory backbencher shouted "Disgraceful" when Miss Richardson named the colonel during a debate on Press freedom.

Mr. Price used the name when he asked for a debate on the Official Secrets Act, and Mr. Kilroy-Silk again gave the

colonel's name when he asked for an assurance that the Government would legislate this session on the Official Secrets Act.

The name was also mentioned by Left-winger Mr. Thomas in an attack on Attorney-General (Mr. Silkin) for interfering in the democratic proceedings of the National Union of Journalists conference.

The DPP's statement said: "The legality of revealing the identity of 'Colonel B' is a witness in the prosecution of Aubrey, Berry and Campbell, is the subject matter of pending proceedings for contempt of court before the Division Court of the High Court of Justice."

"It is not accepted that despite the naming of the colonel on the floor of the House of Commons that the publication of his

name would not be a contempt of court, even if it was part of a report of proceedings in the House."

Sir Barnett Cocks, former clerk of the Commons and editor of the House of Commons, said last night: "I think the Director of Public Prosecutions is wrong. The proceedings of Parliament are protected. If you report without prejudice a fair and factual account of what was said in the House of Commons, who is the DPP to tell you that is wrong? You are reporting the High Court of Parliament."

"If there was a request from the Speaker of the Commons, then you would have to think of your position. But the DPP is a civil servant, supposedly answerable to the Attorney-General."

## Ministers show signs of new attitude to metrication

BY RUPERT CORNWELL, LOBBY STAFF

THE GOVERNMENT is now rethinking its tactics to push a batch of controversial metrication orders through Parliament against the opposition of the Conservatives and a small but threatening minority of its own backbenchers.

The first signs of a change of heart came last night with the abrupt withdrawal from next week's Commons business of a short debate on two orders dealing with potatoes and various foodstuffs. It will now be impossible to have them in operation by the original target date of May 1, and new orders will have to be brought forward.

The real sticking point, where the Tories and perhaps 20 or 25 rebel Labour MPs make common cause, is the element of compulsion at present contained in certain of them, reinforced by the threat of fines of up to £50 for offenders.

The whole topic, which is understood to have come before the Cabinet yesterday, is particularly delicate for the Government, not only because it raises the possibility of humiliating Commons defeat, but also on account of its electoral implications.

Both Mrs. Margaret Thatcher and Mr. Royattersley, the Prices Secretary, insist that metrication will not be an issue. But senior Ministers acknowledge the danger that Labour could be labelled the party that finally suppressed the traditional system of Imperial measures just before a general election this autumn.

Government whips are now busy sounding out the dissentient backbenchers, led by Mr. Andrew Bennett, MP for Stockport North, and Nigel Spearing (Newham NW) before making up their minds.

Even Labour's anti-metrication

lobby concedes that a switch is inevitable in the long run. It appears likely to many of them that at least the most controversial orders will be re-drafted to remove the element of compulsion.

At the same time, responses are coming in to the appeal for support on metrication issued by Mr. John Fraser, Minister at the Prices Department. Among others, the CBI quickly expressed its strong backing.

Leader, Page 22

## Levy approved

REGULATIONS which impose an 80p levy on air passengers to meet the cost of security measures were approved by a Commons committee yesterday.

The regulations become operative tomorrow week.

## THE FINANCE BILL

## Shares for employees granted tax relief

REPORTS BY JOHN ELLIOTT, DAVID FREUD AND DAVID WAINMAN

THE PROPOSALS for the employee share ownership form of profit sharing will apply from April next year. They provide for income tax relief to be given to schemes which must first be approved by the Inland Revenue.

A company deciding to launch such a scheme can make a basic amount of up to £500 available each year for each employee to receive in shares. The Bill does not lay down any other rules or limitations for how a company should decide what total amount, or what proportion of total profits, to allocate.

All full-time employees with five years or more service must have the opportunity to acquire the shares, although it would be open to an individual to refuse an allocation and ask instead, subject to any pay policy restrictions, for a cash handout. Such a handout would however qualify for income tax. A company can include employees with less than five years' service if it wishes.

A special trust would be set up by a company to manage the

shares, and a participating employee would have to agree to his shares remaining with the trustees for a minimum period of five years. If however he died, or lost his job on account of injury, disability or redundancy, the shares could be sold or disposed of immediately.

The shares would be part of the ordinary share capital of the employing company, or of a controlling company. They would not attract income tax liability at the stage when they were bought and allocated, nor would they attract any income tax on their subsequent growth in value. When the shares were sold after the five year period, they would be chargeable to income tax at the rate of tax then being paid by the participant. But the tax would only be paid on a percentage of the shares' original value (or of the sale proceeds

if less). This percentage would be the tapered away to nothing according to the length of time the shares had to be held: between five and seven years, tax would be paid on 50 per cent of the value; between 7 and 10 years, on 40 per cent; between 10 and 12 years on 25 per cent; 12 and 15 years on 15 per cent; after 15 years, no income tax would have to be paid.

Employees would have to pay the recently reduced capital gains tax when they sold the shares on profits above the acquisition cost. The company involved would be able to set off the initial cost of the shares against corporation tax, as with ordinary wages.

Dividends would be payable direct to employees who would be taxed on them in the normal way. The employee would also

be able to choose whether to take up any rights issue or receive money from the sale of such issues.

The Finance Bill does not, ever, lay down whether the rights attached to it should be exercised individually by the employees, or collected by the trust.

Special rules are also down for company reconstructions and amalgamations. The intention of the Bill is to secure continuity of treatment so as to be flexible when the rights of shares originally held is replaced by a different holding.

The Inland Revenue will approve any schemes which share allocations above £5,000 per employee are made. An employee accidentally selling more than £500—for example from two different employers worked part time for a year or more. In such a case, the full value of the shares without any tapering, would be liable for income tax when were sold.

## Lower tax band costly on staffing

A LOWER band of income tax at 25 per cent for the first £750 of taxable income is introduced in Clause 12. This is expected to cost the Exchequer £1.5bn. in 1978-79 and £1.5bn. in full years. The new band is likely to be the expensive in terms of the staff required to operate it. In a full year the extra staff required is estimated at 1,300.

By contrast, if the Chancellor had decided to make equivalent cuts of £1.0bn. through raising personal allowances, there would have been a staff saving some where in the region of 500-500 as tax-payers dropped out of the tax net altogether. Added to the £0.5bn. in the full year already allocated this would have boosted the rise in indi-

vidual allowances from £40 to £150 and the married allowance from £80 to £330. (The assumption of a steady relationship between revenue cost and altering allowances is fairly realistic at this level.)

The new lower rate is available in duplicate to married couples both of whom work. The wife's earnings, if assessed jointly with those of her husband, will be free of tax up to £385 and the married rate will be 28 per cent. But this does not raise the threshold of £7,000 at which the couple move from the basic

As our table shows, for those married couples whose earnings are high it will be advantageous to be taxed separately.

## MARRIED COUPLES' TAXATION

Income	Taxed jointly	Taxed separately
Married couple's earned income allowance	£11,650	Income: £11,650
Income allowance	2,520	Single person's allowance
Married couple's taxable income	£9,130	Single person's taxable income
£1,500 at 25%	£375	£750 at 25%
£3,500 at 34%	£1,190	£4,000 at 34%
£1,000 at 40%	£400	
£1,000 at 45%	£450	
£130 at 50%	£65	
Tax liability	£2,160	Tax liability for couple

## Tax avoidance measures

MEASURES against four tax avoidance schemes are spelt out—as foreshadowed in the Chancellor's Budget speech. By far the most important of these is the retrospective action taken against the "commodity carry" scheme in Clause 28.

The scheme, which used partnerships to create technical losses which could be set against tax, is outlawed from April 6, 1978, before it was first marketed, through the sublease which rules out relief where the loss was sustained in a trade carried on in partnership.

Subclause 1 (b) goes even further and rules out relief where "the sole or main benefit" that might be expected to accrue to that person from his interest in that partnership was the obtaining of a reduction in tax liability.

The "sole or main benefit" is a powerful catch-all phrase which is bound to prove water-tight in the courts, though no one is likely to try to test it. It is stronger than the similar expression "main object," where a degree of intention has to be established. The last time the phrase was used to eliminate avoidance schemes was in the 1976 Finance Bill.

It is believed that this Clause will not affect anyone genuinely involved in commodity trading.

The other schemes ruled out are the sale of land with right to repurchase, in Clause 27; avoidance of CTT charges on discretionary trusts, Clause 26; and 57 and 60, and an insurance scheme involving associated employment and term life policies to avoid CTT, Clause 61.

## Varied aid for small business

THE BILL contains a large number of the relief for small business already announced in October, 1977, and at subsequent times.

Many of these require elaborate explanation. The corporation tax rate of 42 per cent remains unchanged, but this applies up to a higher ceiling of £20,000. Between that figure and £25,000 the rate falls to 35 per cent, and to 28 per cent for companies with turnover up to £10,000. The relief is available for the first four years of operation.

The profit level below which the Revenue will not require a close company to distribute its available trading profits as dividends is raised to £15,000 for accounting periods ending after October 28, 1977. For companies with profits up to £75,000, the amount to be regarded as distributable will never exceed those profits less half of the amount by which they fall short of £75,000. Apportionment of income is a draconian sword which falls each year on only a handful of companies.

Investment in new small businesses is to be encouraged in two ways, set out in clauses 25, and

40. The first gives an individual who makes losses in any of his first four years' trading on his own account the right to carry these back for up to three years. This enables him to carry losses back into the years before he started his own business—as already announced. Coupled with the already existing carry-forward provisions, it provides considerably greater flexibility in the possibility of accelerating any tax repayments available in the early years of his operation.

The second incentive to invest is given to the provider of loan capital, or to a person guaranteeing the traders borrowing. If the loan is made, or the guarantee given, after April 11, 1978, the lender or guarantor will be able to claim a relief if and when the loan becomes irrecoverable or the guarantee is called. The relief excludes loans and guarantees between husband and wife and between associated companies.

Passing a family business or a family company down the generations will be much less expensive as a result of clause 37. This holds over the capital gains tax charge on gifts of those assets

until the recipient himself dies. Agricultural land qualifies for the relief, even where the donor was not himself a farmer, so also do trading assets. This enables him to carry losses back into the years before he started his own business—as already announced. Coupled with the already existing carry-forward provisions, it provides considerably greater flexibility in the possibility of accelerating any tax repayments available in the early years of his operation.

The Chancellor indicated last October that he was also planning to reduce by 50 per cent the value charged to tax where incorporated businesses and trading shareholdings were transferred. A second reduction in the rate of 20 per cent, from 30 per cent, was promised for transfers of minority shareholdings in quoted companies, this being the rate of 20 per cent. Both new 30 per cent reduction in the increase from the previous 50 per cent to 80 per cent will be limited to the first £50 of transfers made. Without fanfare, this limitation has been omitted from clause 51 of the Bill.

## Mortgage tax relief remains unchanged

THE LIMIT on property loans ranking for mortgage interest relief is to remain at £25,000 for 1978-79, says Clause 16.

Since 1974, when the limit was introduced, and March 1978, houses in the £30,000-plus market have risen by about a fifth over the nation as a whole. So, to keep pace with the rate of inflation in houses, the mortgage relief limit should now be in the region of £30,000.

The figure was set in 1974 as the maximum amount of borrowing for "an only or main residence" for which interest could be claimed for tax purposes. The limit has to be re-enacted every year—the result of a 1974 compromise at Report Stage after

there were attempts to have it indexed in conjunction with the general increase in raising or lowering the relief threshold are negligible compared with the £1bn. or so that mortgage interest relief costs the Exchequer each year. The gain in revenue if the limit were reduced to £15,000 for example would be unlikely to be more than £5m., while if it were raised to £30,000 the loss would probably be less than £1m.

It should be noted that pre-1974 borrowings carry full tax deductibility until 1980 under the transitional arrangements in the 1974 Finance Bill, even if more than £25,000 with therefore give unrestricted interest deductions for another two years.

## Concession to divers

DIVERS and diving supervisory working in the North Sea other offshore waters will be taxed under Schedule D, as employed, from 1978-79, instead of under Schedule E (PA) Clause 24 says down.

The estimated cost of this concession to the Exchequer 1 full year is £1m., although revenues will be reduced by 1 in 1978-79 as the divers gain benefit of transferring from As You Earn to income tax 1 year in arrears.

The justification of the change given by Mr. Robert S. Don, Financial Secretary to the Treasury, to the Commons last night is that it is a concession to industrial groups may to exploit in future.

He defined the distinctive features of their work as "danger, which it entails, the vulnerability to long-term hazards, the exceptional training difficulties involved and the harshness of their working life."

## Self-employed abroad

TAX relief for self-employed people and members of partnerships resident in the U.K. and working abroad is introduced in Clause 22. It is similar to that brought in for employed individuals in the last Finance Bill.

The qualifying period before relief is available has been doubled, however, to 60 days. This is because it is much more difficult for a self-employed individual to determine whether or not to be abroad than an employee's because of the greater difficulty in establishing whether it was

all for genuine business reasons. The longer qualifying period reduces the enforcement problem. The deduction to be given is 25 per cent of that part of the profits from the trade which is attributable, on a time basis, to the number of days working abroad in the year of assignment.

Very few people are expected to benefit from this provision. Among those who will find it useful concession will be consulting engineers and architects on foreign assignments, for instance in the Middle East.

## Tax disclosures to the EEC

THE Inland Revenue is empowered by Clause 62 to disclose information to other EEC tax authorities. This provision is made necessary by Directive 77/799, but it represents no extension of the provisions already incorporated into the Double Tax treaties between the U.K. and each of the other EEC states. The treaties enable the Revenue to swap information needed for the prevention of fiscal evasion.

## Industrial buildings

A CHANGE is made by clause 31 to those who qualify for industrial building allowances. Previously they were allowed to those responsible for the expenditure on construction of a building, or its purchase new and unused. Where a public authority constructed advance factories, but was unwilling to sell them outright, it could not pass the entitlement to allowances to a company which only leased the

buildings. It could not itself benefit if it was not taxable. The company and the authority can now elect jointly to the grant of the lease, and the premium paid by the lessee on the grant, shall qualify the lessee for the allowances. Anti-avoidance provisions are written in the grant shall qualify the lessee who are connected from assets the flexibility provided by this clause to obtain tax benefits.

## Capital gains rollover relief

CAPITAL Gains Tax rollover relief for the replacement of business assets is relaxed in directions by clause 38. First, individual or company carry on two or more separate businesses which use the same premises against an acquisition another.

One of the problems in the area in the past has been the certainty as to whether the Revenue would accept that activities could be regarded as part of one continuous trade. Taxpayers could seek to obtain advance clearance on the rollover relief will not be available to the individual who owns and replaces an asset which is used for trading purposes by his family company.



**BY DAVID BELL IN WASHINGTON**

**"British employees, in a similar letter to the U.K. executive director, said that "we strongly believe that the pressure which the U.S. Government has exerted on this institution is not based on any real concern for the developing countries, but on personal rivalries, domestic political expediency, and international diplomatic trade offs."**

Faced with that kind of view the Administration, which is still trying to get Congress to accept a massive increase in appropriations for both the Bank and the Fund, has been forced to give ground. It has given way, for instance, and accepted one Congressional amendment which instructs the U.S. executive director of the Bank to oppose loans for certain commodities

In an effort to find objective

cent. This has caused an outcry

as committed as the present to

concerned.

**EXPORTS**

**ELEMENT 1070**

12115

**ARE HONoured**  
**QUEEN'S A**

TO RECEIVE THE  
WARD FOR  
MOVEMENT 1970

## INDEX

**Arto chemie**  
Arto House, 31/  
Ascot, Berks.

**icals limited**  
33 High Street,  
SL5 7HG.

197  
EU EPS & V

**WHEELER**

ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED  
DATE 07-16-2009 BY 60322  
UCBAW

**DAIRY PRODUCTS**  
Filers & Wheelers

**EXPORTERS**  
(UK) Limited

---

# PRODUCTIONS

For the most

are honoured  
"The Queen"

to receive  
Award for  
1973

great Britain  
W. 262 212 2

Tel.: (070  
Telex: 86

05) 812531  
471

# Rowntree M

# Mackintosh

497  
The Queen's  
Export Achievements

8. Award for event

Present

Capital  
 Deregulation  
 Manufacturing  
 MNC  
 Tel: 061

370 7611  
 1975

... ..

...and the

\_\_\_\_\_

**EXTRA-SPECIAL OLD SCOTCH WHISKY.**

ممكنا من العمل

\_\_\_\_\_

\_\_\_\_\_

100



## ATTENTION! PRESENTING THE VICOM HOME GUARD.

Available through UK network of installers  
ITT Controls, Macdonald Division,  
333 West Street, Glasgow G5 8JE  
Tel: 041-428 2191 Telex 77222



At last, a security system that carries out orders like a professional.  
Task - guard that home against unwanted intruders. 24 hours a day. Seven days a week.  
Made by ITT Controls, the VICOM range works on the ultrasonic, invisible, inaudible ray principle. A sharp-eyed guard alert at all times. Watches while you sleep. Vigilant in your absence.

Your own sentinel at the touch of a button.  
It's versatile, extendible, remote controlled and it can be installed and fully operated in a matter of hours. No mess. No fuss. The VICOM System once set up, simply plugs into normal electricity circuits.  
All in all, it's a security system that does what it's meant to do - guard your home, your family and your premises.  
Post off the coupon and we'll bring it to your attention!

## GREEST EXPORTS

are honoured to receive  
**THE QUEEN'S AWARD**  
FOR EXPORT ACHIEVEMENT

and wish to thank staff  
and customers throughout the  
world who have made this award  
possible

## GREEST EXPORTS LIMITED

Export Managers and Merchants  
A leading exporter of British Electrical,  
Engineering, Automotive and Transport Equipment

**23 THORNE ROAD,  
DONCASTER, DN1 2EZ**

Tel.: (0302) 20344. Telex: 547248 Grestex G



The Queen's Award for Industry 1978  
has been granted to the Sheerness Steel Company Limited.  
The directors and employees wish to express their  
appreciation to all the customers and suppliers who have  
helped to make this honour possible.



**SHEERNESS STEEL**  
Sheerness Steel Co. Ltd.,  
Sheerness, Kent, Telephone: 07956 3333 Telex: 965764  
London Office: 10 Storey's Gate, London, SW1P 3AX  
Telephone: 01-839 7621 Telex: 918962

## TUFTING INDUSTRIES LTD. CARRICKFERGUS



THE EXPORT MARKETING COMPANY OF  
**KINNAIRD TEXTILES LTD.**  
ARE HONoured TO RECEIVE  
**THE QUEEN'S AWARD  
FOR EXPORT 1978**

**G. KINNAIRD & CO. LTD., BELFAST**  
For Candlewick Housecoats  
**WOODBURN-GRAYSON LTD. & H-FILE LTD.**  
For Candlewick Bedspreads

London Office: 13-14 Woodstock St.,  
London W.1.  
Telephone: 01-629 7501

## Group Gold Mining Companies Transvaal

Reports of the directors for the quarter ended 31st March, 1978

### Vaal Reefs Exploration & Mining Company Limited

ISSUED CAPITAL: 10 000 000 shares of 50 cents each  
PLANNED PRODUCTION FOR THE YEAR ENDING DECEMBER 31 1978  
Tonnage 2 500 000 Grade 5.0 grams per ton

	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
<b>OPERATING RESULTS</b>			
Tons milled	1 792 000	1 805 000	7 185 000
Gold produced—kg	18 285	18 979	84 136
Gold produced—oz	585.35	593.87	2 670.09
Cost per ton milled	R27.88	R27.88	R27.88
Revenue	R79 254 000	R79 254 000	R268 727 000
Cost	R22 876 000	R22 876 000	R81 585 000
Profit	R56 378 000	R56 378 000	R187 142 000
<b>FINANCIAL RESULTS</b>			
Yield—kg	1 170 000	1 287 000	4 786 000
Yield—oz	37.2	40.3	150.2
Cost per ton milled	R27.88	R27.88	R27.88
Revenue	R79 254 000	R79 254 000	R268 727 000
Cost	R22 876 000	R22 876 000	R81 585 000
Profit	R56 378 000	R56 378 000	R187 142 000
<b>DEVELOPMENT</b>			
Capital expenditure—new South uranium plant	R12 000 000	R12 000 000	R36 000 000
Other	R4 000 000	R4 000 000	R12 000 000
Total	R16 000 000	R16 000 000	R48 000 000

### Elandsrand Gold Mining Company Limited

ISSUED CAPITAL: 80 000 000 shares of 50 cents each  
CAPITAL EXPENDITURE  
Net expenditure on mining assets was as follows:

	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
Net expenditure on mining assets for the year ending December 31 1978 is estimated at R78 000 000 (revised) R78 000 000			
Orders placed and outstanding on capital expenditure contracts as at March 31 1978 totalled R34 000 000.			
NOTES—Prior to commencement of production, expenditure will be capitalised and revenue earned, after any taxation payable thereon, will be credited to mining assets.			
<b>SHAFT SINKING</b>			
Men/Material Shaft	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
Advances	47	12	334
Cost	1 968	1 823	4 079
Profit	771	1 811	3 745
<b>DEVELOPMENT</b>			
During the quarter ended March 1978 a total of 1 123 metres (quarter) and 4 079 metres (year) has been sunk in the mine.			
During the quarter ended March 1978 a total of 1 123 metres (quarter) and 4 079 metres (year) has been sunk in the mine.			

### The South African Land & Exploration Company Limited

ISSUED CAPITAL: 5 000 000 shares of 50 cents each  
PLANNED PRODUCTION FOR THE YEAR ENDING DECEMBER 31 1978  
Tonnage 2 500 000 Grade 10.4 grams per ton

	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
<b>FINANCIAL RESULTS</b>			
Gold revenue	R1 972 000	R1 805 000	R6 723 000
Sale of salvaged equipment and scrap	84 000	131 000	1 017 000
Sale of waste rock dumps	21 000	602 000	1 593 000
Surplus revenue	1 356 000	2 781 000	10 398 000
Costs of clean-up and salvage operations	1 045 000	1 086 000	4 875 000
Surplus before taxation	311 000	1 695 000	5 523 000
Taxation—estimated	89 000	381 000	831 000
Surplus after taxation	R222 000	R1 314 000	R4 692 000
<b>DEVELOPMENT</b>			
Capital expenditure—new South uranium plant	R12 000 000	R12 000 000	R36 000 000
Other	R4 000 000	R4 000 000	R12 000 000
Total	R16 000 000	R16 000 000	R48 000 000

For the most  
luxurious  
**Chauffeur Drive Service**  
in Great Britain  
ring 01-262 3134 and  
ask for Victor Britain.

Victor Britain is the chauffeur drive service  
of Avis Rent a Car.

Conference? Seminar?  
Company Meeting? Reception?  
Film Preview?  
Advertising Presentation?

There's no need to hunt around the West  
End for a suitable venue or viewing theatre.  
The FT Cinema, here in the City, offers seating  
in comfort for 50+ people. Full 16mm film  
projection facilities. National Panasonic 1/2" colour  
video tape and Philips 150M video cassette  
viewing. Electrosonic 360° slide presentation  
system. And luxurious private dining rooms with  
extensive catering facilities.

**FINANCIAL TIMES CINEMA**  
All enquiries to the Press Officer,  
Financial Times, Bracken House, 10 Cannon Street,  
London EC4A 3DF. Tel: 01-248 8000 (ext. 7123).

### East Rand Gold and Uranium Company Limited

ISSUED CAPITAL: 40 000 000 shares of 50 cents each  
PLANNED PRODUCTION FOR THE YEAR ENDING DECEMBER 31 1978  
Tonnage 2 500 000 Grade 10.4 grams per ton

	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
<b>OPERATING RESULTS</b>			
Tons milled	784 000	741 000	2 977 000
Gold produced—kg	14 555	14 485	57 525
Gold produced—oz	450.82	450.82	1 803.35
Cost per ton milled	R27.88	R27.88	R27.88
Revenue	R21 854 000	R21 854 000	R85 999 000
Cost	R22 876 000	R22 876 000	R81 585 000
Profit	R9 078 000	R9 078 000	R4 414 000
<b>FINANCIAL RESULTS</b>			
Yield—kg	1 170 000	1 287 000	4 786 000
Yield—oz	37.2	40.3	150.2
Cost per ton milled	R27.88	R27.88	R27.88
Revenue	R21 854 000	R21 854 000	R85 999 000
Cost	R22 876 000	R22 876 000	R81 585 000
Profit	R9 078 000	R9 078 000	R4 414 000
<b>DEVELOPMENT</b>			
Capital expenditure—new South uranium plant	R12 000 000	R12 000 000	R36 000 000
Other	R4 000 000	R4 000 000	R12 000 000
Total	R16 000 000	R16 000 000	R48 000 000

### Southvaal Holdings Limited

The attention of shareholders is directed to the report of Vaal  
Reefs Exploration and Mining Company Limited.

### ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

NOTES  
1. EAST DAGGAFONTEIN MINES LIMITED  
THE SOUTH AFRICAN LAND & EXPLORATION  
COMPANY LIMITED  
VAAL REEFS EXPLORATION AND MINING COMPANY  
LIMITED  
WESTERN DEEP LEVELS LIMITED  
DIVIDENDS—REVISION OF DECLARATION AND  
OTHER DATES  
An announcement was published on February 10, 1978,  
and copies thereof posted to all members, stating that in  
future dividends would be declared by these companies when  
the actual operating results of the relevant accounting period  
were available rather than before the end of the period based  
on estimated results. Accordingly in respect of any dividends  
which may be declared by these companies in the financial  
year ending December 31 1978 and subsequent years, the  
declaration, publication, record and payment dates will be fixed  
some five weeks later than has been the pattern in the past.  
2. Development values represent actual results of sampling, no  
allowance having been made for adjustments necessary in  
estimating or reserves.  
The Orange Free State Group's results appear on another  
page in this paper.  
Copies of these reports will be available on request from the  
offices of the transfer secretaries:  
Charter Consolidated Limited, P.O. 102, Charter House,  
Park Street, Ashford, Kent, TN34 8EQ.  
LONDON OFFICE: 40 HOLBORN VIADUCT, EC1P 1AJ

### East Daggafontein Mines Limited

ISSUED CAPITAL: 3 720 000 shares of R1 each  
PLANNED PRODUCTION FOR THE YEAR ENDING DECEMBER 31 1978  
Tonnage 2 500 000 Grade 10.4 grams per ton

	Quarter ended Mar. 1978	Quarter ended Dec. 1977	Year ended Dec. 1977
<b>FINANCIAL RESULTS</b>			
Royalties and gold revenue	R242 000	R291 000	R1 011 000
Sale of salvaged equipment and scrap	2 000	112 000	389 000
Sale of waste rock dumps	20 000	210 000	210 000
Surplus revenue	264 000	713 000	1 610 000
Costs of clean-up and salvage operations	50 000	1 000	547 000
Surplus before taxation	214 000	712 000	1 063 000
Taxation—estimated	124 000	274 000	233 000
Surplus after taxation	R92 000	R438 000	R830 000
Dividend declared—amount	R741 000	20 cents	R741 000
After writing back royalties totalling R88 000.			

# The Property Market

BY JOHN BRENNAN

## Chevron takes 'Southside'

CHEVRON Oil Service Company is to be the first tenant of the, until now, ill-fated Army and Navy office scheme, 'Southside', in Victoria Street, S.W.1.

Chevron, the holding company of Standard Oil's U.K. subsidiaries, has taken a 25 year lease on 36,000 sq. foot of the 135,000 sq. foot block that Esso Europe backed out of as a potential tenant earlier this year.

Richard Ellis, sole agents for Electricity Supply Nominees, the electricity supply industry's pension fund and developer of the £4.5m. scheme, has booked Chevron for the first section of the office space at a rent pretty close to the £15 a sq. foot asking price. Ellis reports that there are now 'several' companies interested in taking the balance of the office space.

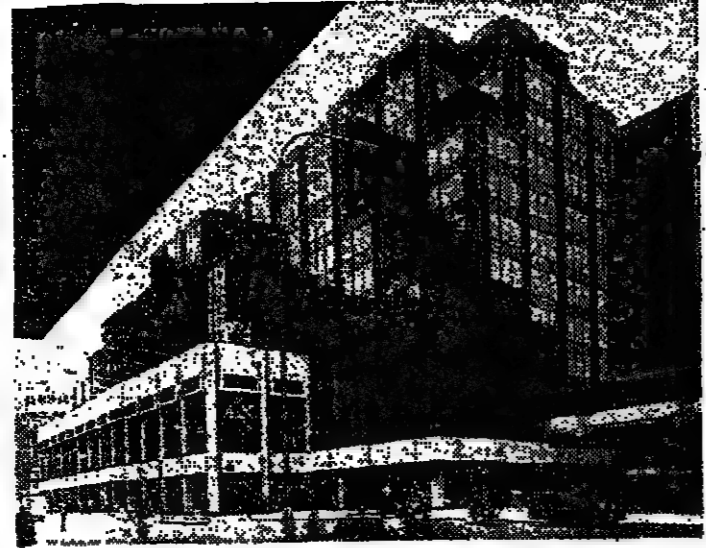
Debenham Tewson and Chinnocks acted for Chevron on the letting.

The Southside scheme has been dogged with problems in recent years. ESN financed the scheme, and now has effective 100 per cent control of the development. But its initial partner, Amalgamated Caledonian, ran into a mass of problems. AmCal was half owned by the late lamented Amalgamated Investment and Property, a share later sold by its liquidator to Sir Hugh Fraser's Scottish and Universal Investments. The other half of AmCal was owned by International Caledonian Assets. Intercal was itself owned 28.4 per cent by the now Loutho-besieged SUITS, 17 per cent by House of Fraser and the balance by

merchant bankers Nobel House of Fraser, on whose site the scheme has been built, leased back the 118,000 sq. foot department store retail space to department store under the Southside office accommodation for its Army and Navy business.

After AIP's collapse and the

pared to take the whole of the office content, was unable to obtain Westminster City Council approval to change the non-department store retail space to office use. Esso left the scene and until today's news of the Chevron letting, Southside has been the largest single modern



property market crash AmCal's office building standing empty in Central London.

Ellis has the distinction of also acting as letting agent on the next largest empty London office, the 110,000 sq. foot former Sun Life Assurance's city headquarters at 107 Cheapside. That building will not, however, be ready for occupation before September when refurbishment work is completed.

Stock Conversion sold out its interest in the land to Camden Council for £4m. two years ago after countless unsuccessful planning battles, and some spectacular publicity fights with the local residents' associations. Having taken over the 2.65-acre site, Camden Council has considered alternative plans for the redevelopment and finally ratified proposals for a 200,750

## IN BRIEF

LORD Rayne's London Merchant Securities shop and office scheme at 163-170 Tottenham Court Road, W.1, has been achieving some fancy retail rents for an off-centre site. Joint agents Hillier Parker May & Rowden and Davis and Company have let the five shop units under the scheme, ranging in size from 900 to 1,500 square feet, at an average £10 a square foot—and that is for unfitted shells.

The agents achieved close to £8.50 a square foot for the 30,000 square feet of office space in the block from EMI's hotel and restaurant division. EMI, advised by P. J. Williams, seems shy of announcing its move. But it failed to tell its neighbours that it was travelling incognito.

SINCE its formation in 1974 the British Property Federation has been accused of many things. It has been treated as an ineffectual talking shop, accused of being dominated by the major property companies by the expense of its private landlord members. And the Federation has been charged with having insufficient political muscle to be more than a social complement to the industry's existing pressure groups.

SIXTEEN years after Stock Conversion Investment Trust started its site assembly work in Camden's Tolmers Square area, the Council has ratified plans for a mixed commercial and residential redevelopment of the site.

Stock Conversion sold out its interest in the land to Camden Council for £4m. two years ago after countless unsuccessful planning battles, and some spectacular publicity fights with the local residents' associations. Having taken over the 2.65-acre site, Camden Council has considered alternative plans for the redevelopment and finally ratified proposals for a 200,750

The criticisms are unjust, and the Federation's 1977 annual report, published this week, shows just how far it has progressed in the past four years towards becoming an effective voice for the whole industry. It is early days for a victory laden battle flag to wave at its critics. But the Federation is able to list a whole series of minor successes in being accepted onto industrial and Government committees as property's representative. Apart from President Victor Lucas's continued membership of the Council of the Confederation of British Industry and the National Economic Development Council for the building industry, BPF representatives turn up on dozens of less publicly visible bodies.

The Federation's Commercial Property Working Party, under Neville Conrad's chairmanship, is hammering out amendments to the Standard Form of Building Contract with the Joint Contracts Tribunal, and has submitted comments on the Government's proposals for Inner City redevelopment to the Environment Minister. Written evidence was provided for Sir Harold Wilson's committee on the workings of the City's capital markets.

Insurance broker Laurie Milbank has now completely sublet surplus space in its 30,000 sq. ft. Portland House headquarters in Easinghall Street, E.C.2.

Milbank, which took a 20-year lease on the City Corporation's refurbishment earlier this year at rather less than the £250,000 a year asking rent, has drawn in an impressive list of sub-tenants for the upper floors of the building. Sub-leases, believed to range up to 10 years, should take up around a third of the building.

Goach and Wagstaff, acting for Milbank, has lined up three international banks and a major U.S. stockbroker firm for the space. Head of the list is the West German bank, Württembergische, Kommune Landesbank Giro.

Pearson's, acting for 'an named property company (EPC) were pleasantly surprised by the price. But Laing has qualms about the block's location. It is the only significant office accommodation in the

Winchmore Hill area, and Hepburn looks 'to current rents of over £4 a square foot comparable North London schemes with less impressive communications and local amenities.

The bulk of the new office space is to be built in three stepped blocks from four to seven storeys high along Euston and Hampstead Roads. This barrier of office buildings should help to muffle traffic noise from the residential core of the site, which will include leisure facilities, shops and craft workshops as well as housing for 134 families.

Greycoat and McAlpine will now begin negotiating in detail with the council over financing and construction details of the buildings, which are expected to take around two and a half years.

Financial Times Friday April 21 1978

Bank Canadienne Nation and the Commercial Bank Korea, which was advised Richard Ellis, join the German bank on the lower floor. And Debenham Tewson & Chinnocks introduced U.S. stockbrokers, Oppenheimer and Co.



IN a particularly long residential deal, English Property Corporation has sold its 35 sq. ft. Winchmore Hill office to the John Laing Pension Fund for £246,000.

The 14-year-old EPC block, Green Lane, London, N.21, been sold to Laing to show initial yield of just 3 per cent. But Laing's adviser, Adam Burn, explains that the Trust deliberately gone for a reversionary investment when the Property Services Agency's 21-year lease expires in 1985. Mr. Hepburn expects a dramatic uplift in rents from current £30,000 a year paid to the North London tax office's driving test centre.

Pearson's, acting for 'an named property company (EPC) were pleasantly surprised by the price. But Laing has qualms about the block's location. It is the only significant office accommodation in the

Winchmore Hill area, and Hepburn looks 'to current rents of over £4 a square foot comparable North London schemes with less impressive communications and local amenities.

we have we have

we have we have

we have we have

we have we have

we have we have

## Tolmers Square revisited

square feet office and 134 house development at its last meeting on Wednesday evening.

After council approval, the new £11m. project will be subject to public consultation. But, as local associations that opposed Stock Conversion's plans seem in favour of the council's latest ideas, there is unlikely to be material opposition.

The revised scheme, prepared by Camden's consultant architects, the Renton Howard Wood Levine Partnership, will be carried out by the council in partnership with Greycoat London Estates, a joint company set up by Sir Robert McAlpine and Sons and the ubiquitous 'Greycoat Estate. Greycoat was advised by Jones Lang Wootton, who will be the scheme's letting agents.

Greycoat and McAlpine will now begin negotiating in detail with the council over financing and construction details of the buildings, which are expected to take around two and a half years.

# INDUSTRIAL AND BUSINESS PROPERTY

### Offices

**at the touch of a button.**

### Two of the JLV COMPUTON services

**Provincial Offices**

**Birmingham**  
McLaren House, 70,000 sq.ft. remaining.  
160 private car parking spaces.

**Nottingham**  
City Gate, 117,000 sq.ft. Air-conditioned offices. 376 car parking spaces.

**Chester**  
Windsor House, 10,525 sq.ft. remaining on second floor.

**Chatham**  
Sovereign House, Pentagon Centre, 93,500 sq.ft. fully fitted air-conditioned offices.

**Swindon**  
Aspen House, 65,670 sq.ft. centrally located air-conditioned offices. 100 car parking spaces.

**Bristol**  
Greyfriars, 43,000 sq.ft. of superb air-conditioned offices.

**Suburban Offices**

**Sutton, Surrey**  
7,400 sq.ft. New office building opposite B.R. Station.

**Streatham, S.W.16**  
1,070 sq.ft./2,845 sq.ft. Two modern units. Immediate occupation.

**Richmond-upon-Thames**  
18,200 sq.ft. New air-conditioned offices, centrally situated.

**Tolworth, Nr. Surbiton**  
8,285 sq.ft. Excellent refurbished modern offices. Immediate occupation.

**Lambeth, S.W.9**  
54,710 sq.ft. New A/C office building close to Victoria Line Station.

**Tooting High Street, S.W.17**  
2,820 sq.ft. Entire floor in modern building, centrally situated.

**JONES LANG WOOTTON**  
Chartered Surveyors  
103 Mount Street, London W1Y 6AS  
Tel: 01-493 6040 Telex: 23858

01-930 9731

## WEST END OFFICES

**To let**

Buckingham Street W62 ..... 6,000 sq.ft.  
Mayfair ..... whole building.  
High Holborn ..... self-contained building  
St. James's ..... prestige building  
Waterloo Place SW1 ..... 4,350 sq.ft.

**Furnished suites W2 ..... 1,500-7,000 sq.ft.**

**Clients' requirements**

Central London ..... freehold 3,000 sq.ft.  
Regent Street W1 ..... 2,500 sq.ft.  
Piccadilly ..... 1,750 sq.ft.  
Mayfair ..... 1,500 sq.ft.

DRIVERS JONAS

18 PALL MALL, LONDON SW1Y 5NF

K for Industry

**GAMDEN TOWN**  
4 Storey Warehouse  
10,750 sq. ft.  
TO LET

**ENFIELD, Middx.**  
Single Storey Warehouse & Offices  
20,750 sq. ft.  
Rent £1.20 per sq. ft. p.a. excl.  
TO LET

**FELTHAM, Middx.**  
52,000 sq. ft.  
Warehouse - High Office content  
TO LET

**LEWES, Sussex**  
New Factory/Warehouse Units  
1,850 sq. ft. 38,000 sq. ft.  
TO BE LET

**LUTON, Beds.**  
60,000 sq. ft.  
Factory Incl. 20,000 sq. ft. Offices  
TO LET

**SOUTHAMPTON**  
Warehouse  
25,000 sq. ft.  
TO LET/IMMEDIATE OCCUPATION

**SWINDON**  
Warehouse/Factory  
36,000 sq. ft.  
TO LET/IMMEDIATE OCCUPATION

**WOLVERHAMPTON**  
24,000 sq. ft.  
Last remaining New Warehouse Unit  
TO LET

King & Co

Chartered Surveyors  
1 Snow Hill, London, EC1  
01-236 3000 Telex 885485  
Manchester, Leeds and Brussels

MODERN SELF CONTAINED OFFICES

7,000 sq. ft. on one floor  
New lease at under £3.50 per sq. ft.  
N.W.10 - Car parking/central heating

King & Co

Chartered Surveyors  
1 Snow Hill, London, EC1  
Telephone 01-236 3000 Telex 885485  
Manchester - Leeds - Brussels

Peterborough Development Corporation

OFFICE SITES 1/2-100 acres

Ring John Case

0733 6893

HOLBORN E.C.1 BUCHANAN HOUSE

ENTIRE OFFICE FLOOR

7,250 SQ. FT.

Lifts, Central Heating, Car Parking  
Resident Commissionaire

TO LET

Apply Sole Agents

Hillier Parker

May & Rowden

39 King Street London EC2 8BA  
Telephone: 01-606 3851

59 BROMPTON ROAD LONDON, S.W.3

HARRODS

Hans Crescent

RUSSELL & BROMLEY

MISS SELFRIE

KUTCHINSKY

MAPPIN & WEBB

GRAFF (Jwirs)

K SHOES

CHAS. JORDAN

RUSSELL & BROMLEY

KNIGHTSBRIDGE

J. MICHAEL RYMAN

THOMAS COOKS CHINACRAFT

VIDAL SASSOON

ROYAL BANK OF SCOTLAND

Knightsbridge Green

SCOTCH HOUSE

Magnificent Leasehold Shop Premises Open Retail User

FOR SALE BY TENDER

Closing date 12.30 pm Thursday 25th May 1978

Sole Agents

IAN SCOTT

Berkeley House, 20 Berkeley Street, London W1X 5AE  
Telephone 01-493 9911

CALDER VALE ESTATES - WEST YORKSHIRE

HORBURY Wakefield

Warehouse/Industrial Units To Let

4,150-9,500 sq. ft.

Rents from 75p per sq. ft.

Brick built premises with concrete floors and insulated roofs.  
Services available. Ample vehicle parking facilities

ESTATE OFFICE: TRAFFORD PARK  
MANCHESTER M17 1AU  
061 872 5426

BRENTFORD

(7 miles Heathrow  
6 miles West End)  
Offices to let  
7,500 sq. ft.

LETCHWORTH

Prime shop to let  
880 sq. ft.

WIMBLEDON

Offices to let  
1,176 sq. ft.

DONALDSONS

70 Jermyn Street  
London SW1Y 6PE  
01-930 1090

HOLBORN

Modern office building  
To let  
3,800 sq. ft.

WANTED

Mayfair/Belgravia  
Prestige Offices  
3,000 sq. ft.

WALTHAMSTOW

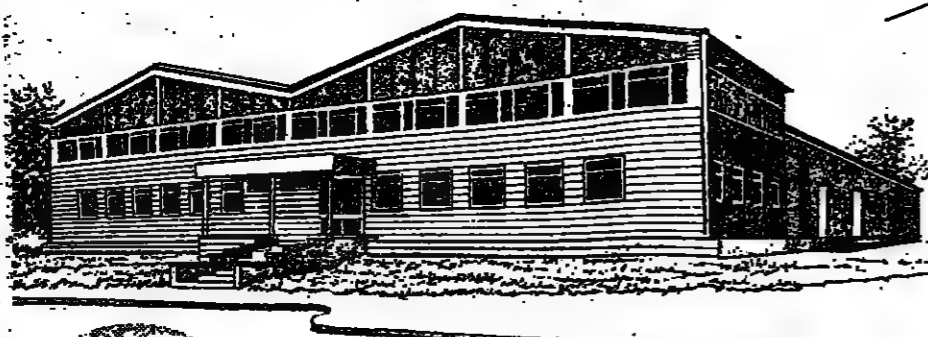
Offices to let  
4,081 sq. ft.

مكاتب العمل

# If you have a premises problem, we have four answers.



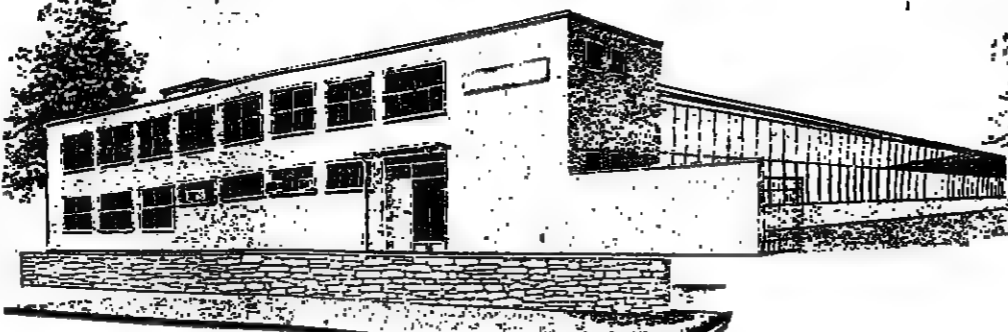
Two modern warehouses close to Heathrow. 24,000/29,000 sq. ft. To be let.



Caerphilly. Modern factory. Pontygwindy Estate. 20,000 sq. ft. Long lease for sale.



Harlow. Offices and Offices. Templefields Industrial Estate. 47,000 sq. ft. Lease for sale.



Conisdon.

Two new warehouses close to M23. Each 6,800 sq. ft. New leases. Joint Agents: Richard Ellis. Tel: 01-499 7151.



## SAVILLS

The complete property service. 20 Grosvenor Hill, Berkeley Square, London W1X 0HA. Tel: 01-499 8644

A development by Crown House Properties

## CITY OF CAMBRIDGE

OFFICES — 20,000 sq. ft.

AVAILABLE FOR IMMEDIATE OCCUPATION

CINTRA HOUSE, HILLS ROAD

A NEW BUILDING OF DISTINCTION

PRESTIGE LOCATION

HIGH STANDARD OF FINISHES

LIFTS—GAS CENTRAL HEATING—PRIVATE PARKING

TO LET

Sole Agents:

DOUGLAS L. JANUARY & PARTNERS, 7-8 Downing Street, Cambridge. Tel: (0223) 63291.

**JANUARY**

GREAT TOWER STREET, EC3  
OFFICES TO LET  
10,000 sq. ft.

W BERRY TEMPLETON LTD  
PROPERTY CONSULTANTS  
01-437 4577

COVENT GARDEN WC2  
17,000 sq. ft. approx. — OFFICES

Self-contained building. Lift. CH. Car parking. No Premium.

Neil Fraiss Kelly  
39 Victoria Street  
London SW1H 0EE  
01-222 1144

COVENT GARDEN ESTATES  
28/29 Southampton St.  
Covent Garden  
London, WC2E 7JA  
01-836 3399



By order of  
East Hertfordshire District Council

## HERTFORD

### SITE TO LET

ON GROUND LEASE

FOR

SUPERMARKET

STORE & SHOP UNITS

WITH CAR PARKING

Interested Developers should apply for further particulars quoting Ref. L.A.C./S.H.R.M.

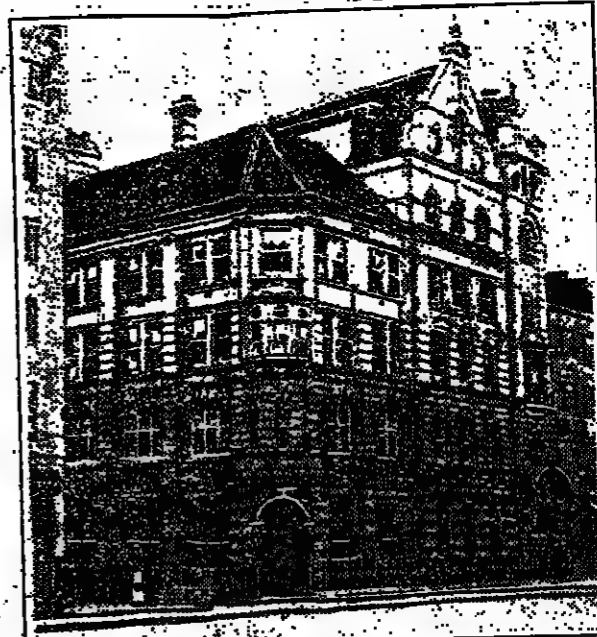
Consultants and Sole Agents:



Hillier Parker  
May & Rowden

77 Grosvenor Street, London W1A 3BT  
Telephone: 01-629 7866  
and City of London, Edinburgh, Paris, Amsterdam, Australia.

16-18 New Bridge Street  
London EC4



Office Building to Let  
FULL AMENITIES OFFERED  
All enquiries to SOLE AGENTS



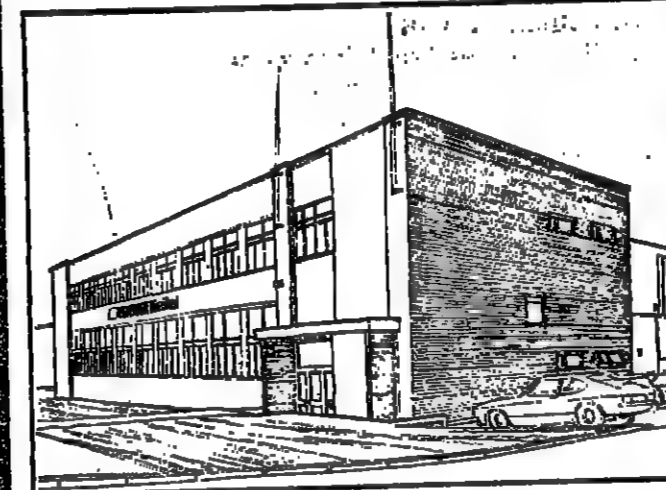
23 WELBECK STREET, LONDON W1M 7PG

## an ideal location BEDFORD

London 50 miles  
Between M1 and A1



Harpur Centre, 18,800 sq. ft. new offices, in unique development behind historic Blore facade on town-centre site. Own parking. (Kilroy).



For particulars of these properties and most medium and large business premises available in North Bedfordshire apply to:-

D. J. Phipps, Chief Estates Surveyor,  
**NORTH BEDFORDSHIRE BOROUGH COUNCIL,**  
Town Hall, Bedford. Telephone: Bedford (0234) 87422

Chailey House, overlooking River Ouse, Bedford. 16,200 sq. ft. prestige offices. (Connells)



Elms Industrial Estate. Recently-built factory/office premises. 32,000 sq. ft. (Designed, built and financed by Hunting Gate Developments Ltd.)

## SPACENEWS

### OFFICES...

GOLDERS GREEN, NW11  
Excellent Modern Self-contained offices 5,900 & 8,150 sq. ft. Leases to be Assigned  
EUSTON ROAD, NW1  
Excellent ground floor Showroom and Offices 2,100 sq. ft. To Let  
ISLINGTON GREEN, N1  
Ver. Modern Office Suite 4,100 sq. ft. To Be Let at £3.90 per sq. ft. Might Divide

### INDUSTRIALS...

LANCING, SUSSEX  
New Warehouse 20,000 sq. ft. To Let  
LONDON E3  
H.O. Factory & Offices 146,000 sq. ft. Lease to be Assigned  
BASILDON, ESSEX  
Modern Factory with land 122,000 sq. ft. on 7.1 acres For Sale

MAIDSTONE, KENT  
Factory with land for expansion 33,880 sq. ft. on 2.93 acres For Sale Freehold  
DAGENHAM, ESSEX  
Single Storey Industrial 147,675 sq. ft. on 6.45 acres For Sale Freehold



3-4 Holborn Circus  
London EC1N 2HL  
Tel: 01-353 6851  
Telex: 25916

For further details and other spacenews contact...

## Land for Residential Development

NORTH BERSTED, BOGNOR REGIS,  
WEST SUSSEX

5.78 ACRES

FOR SALE BY PUBLIC TENDER

Particulars from: Planning Officer, Arun District Council,  
4/5, Maltravers Road, Littlehampton,  
West Sussex BN17 5NA  
Telephone Number Littlehampton 6133

### CLAPHAM SW9

Modern Factory  
& Offices  
5,842 sq. ft.  
LEASE FOR SALE

Contact:

FULLER PEISER  
01-353 6851

MELLERSH &  
HARDING

Chartered Surveyors  
01-493 6141

## Clwyd

at the peak of  
Welsh potential

With its large, multi-skilled workforce, proximity to major markets and national/international communications networks, this progressive Welsh county dominates the north-western development scene. The news in Clwyd is about sales, not strikes — and it's a great place to live, too.

Talk to us about the low-cost sites and factories plus extensive financial aid available to incoming industries — we'll make you a deal you can't refuse. Contact Wayne S. Morgan, County Industrial Officer, Clwyd County Council, Shire Hall, Mold (tel. Mold 2121) for free colour brochure.

By Order of Barclays Bank Ltd.  
PRIME FREEHOLD PROPERTY  
44, FORT STREET  
TIVERTON, DEVON

LOT 1: Main St. Bank Premises with accommodation over in multiple trading position, all with vacant possession.  
LOT 2: Warehouse/Store with large garden and direct access from Market. Development potential. Subject to tenancy.

Closing Date for Tenders  
17th MAY 1978

Sole Agents:  
GRIBBLE, BOOTH & TAYLOR  
Essex House, 12 Fore Street,  
Tiverton. Tel: 360411.  
10 West Country Offices



## The Management Page

مكتبة الأعمال

EDITED BY CHRISTOPHER LORENZ

## New boom looms in executive training

THE ALREADY booming management training industry looks set for even further expansion, according to figures in a detailed survey conducted by the Industrial Relations Training Resource Centre. Of the 600 organisations it surveyed, employing over 3m, four out of five said they intended to extend management training in industrial relations.

Not surprisingly, the most frequently mentioned areas for stepping up management training were employee legislation and health and safety. The survey sought to find out the training needs of five main employment groups, directors, managers, supervisors, personnel and industrial relations specialists, and trainers.

For directors, after employee legislation, the area considered to be most important for increased training was "preparing for change in management style," followed by health and safety, and company industrial relations policy. High on the list for managers was training in handling grievances, and recruitment, and dismissal procedures.

## Business courses

Zero Base Budgeting, Gloucester Hotel, London. May 8-9. Fee: £500. Details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2.

Group and Personal Effectiveness, University of Bradford. May 14-19. Fee: £190. Details from the Programme Secretary, The Management Centre, Heaton Mount, Keighley Road, Bradford.

Organisation and Management in R and D, Brunel University, Middlesex. May 16-19. Fee: £180. Details from the Secretary, Management Programme, Brunel University, Uxbridge, Middlesex.

4th European Maintenance

THIS WEEK'S launch in the City of London of the Benjamin Britten Memorial Appeal marks a new stage in a remarkable success story: the development of a group of hall-dwelling East Anglian farm buildings into an internationally recognised concert centre and school for promising musicians.

The success of Aldeburgh's music-making endeavours can be measured in tangible terms. There is, for a start, Snape Maltings itself; there is the school taking shape in its associated buildings—for whose further conversion the appeal is being launched; there is the growing band of young musicians emerging from its short and intensive courses; and there is the steady increase in the numbers who make the pilgrimage to this remote part of the Suffolk coastline, to hear music which ranges from Monteverdi to the works of living composers. All of which is a tribute to the genius of the late Lord Britten and of Peter Pears—and to the very considerable managerial and money-raising skills which have underpinned their vision.

## Curiosity

Aldeburgh itself is something of a curiosity in artistic terms. In that there is no permanent Aldeburgh orchestra. The nearest thing to it is the Aldeburgh Youth Training Orchestra, the members of which come together from music schools throughout the country, for three or four weeks in the year, the composition therefore changes as they become established in their adult careers. This apart, all the performances are bought in, with the performers, for the occasion. There is nothing curious about that; of course, almost every festival management does the same. But Aldeburgh, unlike its festive counterparts in Edinburgh, Bath or the Three Choirs country, makes music most of the way through the year.

Aldeburgh is, essentially, its festival committee—which includes a handful of dazzling artistic directors, whose function is to determine the tone and balance of the programmes; its school, established five years ago and housed ever since in haphazard fashion in the green-room and the wardrobe at the Maltings; and in odd attics and cellars through the town;—holding it all together—the Aldeburgh Festival-Snape Maltings Foundation Ltd, chaired by

## Why the Maltings wants you to back Britten's students

BY ADRIENNE GLEESON

Sir Eugene Melville, KCMG, and functioning from The Suffolk, a former pub on the High Street.

However cumbersome its title, the Aldeburgh Festival-Snape Maltings Foundation is run economically enough. Its guiding spirit is its general manager, ex-Orient Line director Bill Servaes, who with a handful of administrative assistants provides the organisation behind the functioning of this curious compendium of talents. It is they who arrange the performances, pay the performers, hire the tutors, see to the admissions, watch over the box office and, says Mr. Servaes, half seriously, sit in for the St. John's Ambulance Brigade which the Foundation cannot yet afford to hire. It is they, above all, who see to it that the money is there to ensure that what Aldeburgh has to offer, the world will want to buy.

In this, as in all else, Aldeburgh is quite remarkably successful. The task is not quite as difficult in this Suffolk town as it might be anywhere else because there are old and valued friends of Aldeburgh who will, so rumour has it, perform there for little more than pocket money. Nevertheless, the music-making activities at Aldeburgh last year—excluding the Benson and Hedges special season in October—required a budget of £200,000, and that is not to be raised by whistling to the wind.

Where did it come from? Some £78,000 came by way of the box office. The Festival itself—two weeks in June, into which 42 performances were squeezed—attracted an 80 per cent. capacity audience and produced £67,000 in seat sales. The remainder came from the 40-odd

performances through the rest of the year, from the Children's Concert at Easter to the string season in October. Associated revenue—broadcasting fees, catering and the bar, programme sales—brought in, in this, the great age of State patronage, the Aldeburgh Festival-Snape Maltings Association some £7,000. Including some £7,000 in refunded income tax—from

we afford to do without State help. We don't say that we wouldn't run at a loss without it. What we do say is that at least we know where the money's going.

Unlike some other musical enterprises, Aldeburgh has never overspent its budget. Given that the function of the foundation is to provide music rather than to make money, however that is not necessarily something to be proud of. It could denote an absence of adventurous spirit: a willingness to play for the crowd the sort of music that the crowd will pay for.

Aldeburgh is not unaware of the pressures—populist or commercial, depending upon your point of view. "We are," says Mr. Servaes, "hoping to introduce concerts outside the festival season in which we'll play some of the more popular works." But he would vigorously deny that Aldeburgh has made any surrender of its artistic integrity; and indeed, since there are works of contemporary composers in the programmes, it is probably a question that does not really need to be posed.

But although no year's programmes have been financially disastrous, this cannot be said about some of Aldeburgh's individual concerns. That the foundation, however, has never lost its head above the financial policy of seeking guarantees, Benson and Hedges apart—the company pays the foundation £10,000 to run its four day October festival—it is to this that most of the commercial and industrial help secured by Aldeburgh has been devoted. Companies are, says Mr. Servaes, quite cheerful about the prospect of giving financial guarantees for per-

formances—witness the £10,000 donation from Northern Star/Europa Insurance, which was announced this week.

The genesis of this affair, as happens often, was the managing director's love of music; the benefits to the company—insofar as they can be tangible—will lie in part in the glory that accompanies the students' centenary performance of Eugene Onegin which, under the direction of Rostropovich, is scheduled for 1978; that and possibly some new insurance business from students. The company will also be guaranteeing bursaries to students at the Britten Pears School. "We see this," says Northern Star's managing director, John West, "as a continuing relationship."

The Foundation's real problem at present is that, however much it needs financial backing for performances, it is even more in need of some for its building programme: hence the memorial appeal. The object is to raise the £480,000 needed to convert the buildings adjacent to the Maltings into practice and recital rooms, and social facilities for students. The school is designed to provide exceptionally gifted musicians with a crash course to get them to a professional standard after the end of their formal studies. The building work has begun already—on the strength of a bridging loan from Barclays and the £255,000 already collected or promised from such diverse sources as the Arts Council and the executors of the Britten estate—and it should be completed by this autumn.

## Problem

The memorial appeal, which is largely aimed at companies, has something of a problem, as Mr. Servaes recognises, in that industrial and commercial companies do not as a general rule like putting money into bricks and mortar: it presages the possibility of future calls upon their bounty. In the case of the Britten-Pears School, however, some of the money for its running will come from the Benjamin Britten Estate, and some—probably about half—will come from student bursaries. There is, Mr. Servaes finds, much less difficulty in getting companies to guarantee bursaries, even though the benefits are less tangible compared with the solid evidence of benevolence provided by buildings.



Sir Peter Pears (left), Marion Thorpe and Mstislav Rostropovich—all three are helping to promote the appeal for money to aid practice and teaching accommodation to the Britten-Pears music school at Snape Maltings.

people who have covenanted to ally recognised centre for the give regular sums, some £3,000 musical arts with a budget to from the East Anglian Fund which public bodies contribute Raising Committee—whose only just over 15 per cent, far activities included the running less than for many other of an Opportunity Shop—selling musical endeavours.

second-hand clothes; almost as much from American friends; sundry donations including the assistance it gets from the State, a contribution from the fund-raising Festival Association's "No more than any other organisation in the arts," says Grants and guarantees its secretary John Trew, "can

## Attaching more importance to better design

THE ROYAL Society of Arts deserves at least six out of ten for its latest design bursaries to students, announced earlier this week.

For the first time, some of the winners will spend several months attached to the industrial organisations which sponsored their awards, including Olivetti, Philips Industries and Bally Shoes. And—another plus point—the RSA says the winners "will see different aspects of the design processes, from original idea to production, marketing and retailing, and including overall design management."

In other words, the RSA considers that good design involves far more than just good styling. Or does it? The positive

impression created by its Press release is spoiled by the introduction to the competition report. The bursaries are intended to help young British designers who work in, or intend to enter, "branches of industry in which design is of primary importance," it says.

In other words, it would seem, there are some branches of industry where design is not of primary importance. Such a comment strongly suggests an equation of design with styling and little else—certainly not the wide-ranging criteria (including reliability, ease of maintenance, and probable economic viability) which were applied to the latest Design Council awards (see this page last Friday).

That said, the RSA has undoubtedly done future product design a service by broadening the scope of its awards this year. Not only has it introduced "industry attachments" as part of the new "special awards," but it has also started to bring more engineering categories into a competition which has traditionally focused mainly on such items as carpets, fashion fabrics, furniture, graphics and jewellery.

## Engineering

In the latest competition, what might be called the engineering categories were enlarged from two to three, by the addition of audio visual domestic equipment to hospital and office products. If the RSA is successful in its search for extra engineering sponsors, there will be more of this type of category next year. Five years from now, at any rate, there is likely to be a far higher content of engineering design in the bursary awards, a Society official said this week.

The number of entrants for both the office equipment and audio visual equipment categories was decidedly small in comparison with the leaders: 13 and 20 respectively, compared with 254 for fashion (clothing and fabrics), or 188 for furnishing textiles. This may have as much to do with the scope of design education as the reputation of the RSA or its awards. More surprising was the relative lack of interest in wallcoverings and silverware (39 and 30 candidates respectively).

Christopher Lorenz

## Catch the sun daily in London.

Only National flies non-stop Heathrow—Miami—Lima—and onwards seven days a week.

Contact your travel agent or National Airlines, 81 Piccadilly, London W1V 9HF (01-629 8272). National Airlines Inc. is incorporated in the state of Florida U.S.A.

America's sunshine airline.

## National Airlines

## EMPLOYEE REPORTS

How to communicate financial information to employees

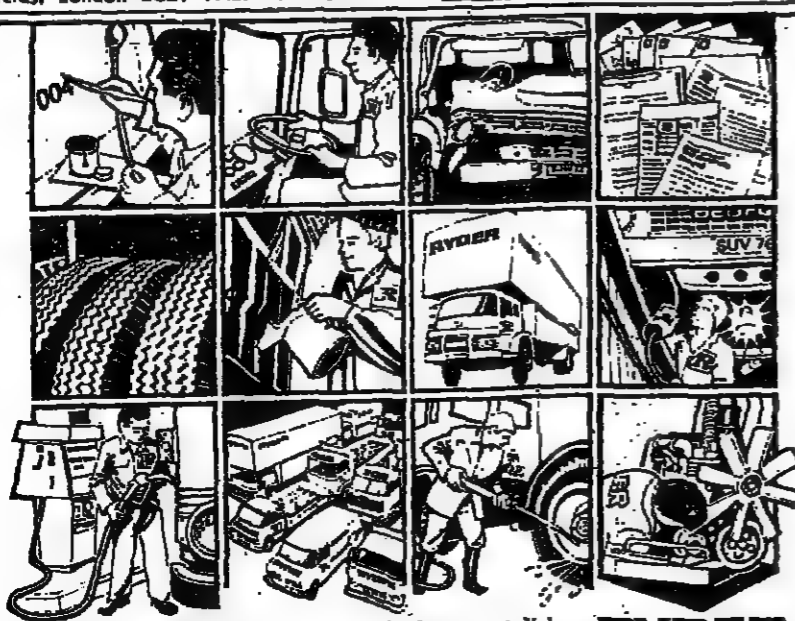
ANTHONY HILTON Editor of *Accountancy Age*

This definitive book will be essential reading for executives and accountants in industry faced, perhaps for the first time, with producing employee's company reports. Over 70 pages of places help illustrate major points discussed.

£12.50 + 75p p. & p. 200 pages. Published by Woodhead-Faulkner Ltd. and available from the:

BARBICAN BUSINESS BOOK CENTRE

9, Moorfields, London EC2Y 9AE. Tel: 01-628 7479



Ryder rents rather special trucks. You don't have to paint them. Or clean them. Or insure them. You don't have to change their tyres. Or put in oil. Replace them. Or repair them. It's another way of saving, we handle all the paperwork, including all the paperwork. With Ryder Contract Hire. Compared with owning trucks, you must admit it offers some very good advantages. You don't have to use any capital, either just pay a known monthly tax deductible charge.

And for that you get all the trucks you want. Any number, any size, any time. They're yours for a flexible monthly renewable contract. All looking the way you want them to in your own livery. Ryder Contract Hire is the least you can do for you. For full details, ring your nearest Ryder number. Or send the coupon.

In return, we'll also send you facts about Ryder Short-Term Rental.

Then you'll have two ways to drive a good bargain.

## RYDER

Locations in London: E, W, N, S, C, M, H, K, L, P, R, T, U, V, W, X, Y, Z, AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, AY, AZ, BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX, BY, BZ, CA, CB, CC, CD, CE, CF, CG, CH, CI, CJ, CK, CL, CM, CN, CO, CP, CQ, CR, CS, CT, CU, CV, CW, CX, CY, CZ, DA, DB, DC, DD, DE, DF, DG, DH, DI, DJ, DK, DL, DM, DN, DO, DP, DQ, DR, DS, DT, DU, DV, DW, DX, DY, DZ, EA, EB, EC, ED, EE, EF, EG, EH, EI, EJ, EK, EL, EM, EN, EO, EP, EQ, ER, ES, ET, EU, EV, EW, EX, EY, EZ, FA, FB, FC, FD, FE, FF, FG, FH, FI, FJ, FK, FL, FM, FN, FO, FP, FQ, FR, FS, FT, FU, FV, FW, FX, FY, FZ, GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GK, GL, GM, GN, GO, GP, GQ, GR, GS, GT, GU, GV, GW, GX, GY, GZ, HA, HB, HC, HD, HE, HF, HG, HH, HI, HJ, HK, HL, HM, HN, HO, HP, HQ, HR, HS, HT, HU, HV, HW, HX, HY, HZ, IA, IB, IC, ID, IE, IF, IG, IH, II, IJ, IK, IL, IM, IN, IO, IP, IQ, IR, IS, IT, IU, IV, IW, IX, IY, IZ, JA, JB, JC, JD, JE, JF, JG, JH, JI, JJ, JK, JL, JM, JN, JO, JP, JQ, JR, JS, JT, JU, JV, JW, JX, JY, JZ, KA, KB, KC, KD, KE, KF, KG, KH, KI, KJ, KK, KL, KM, KN, KO, KP, KQ, KR, KS, KT, KU, KV, KW, KX, KY, KZ, LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LO, LP, LQ, LR, LS, LT, LU, LV, LW, LX, LY, LZ, MA, MB, MC, MD, ME, MF, MG, MH, MI, MJ, MK, ML, MM, MN, MO, MP, MQ, MR, MS, MT, MU, MV, MW, MX, MY, MZ, NA, NB, NC, ND, NE, NF, NG, NH, NI, NJ, NK, NL, NM, NN, NO, NP, NQ, NR, NS, NT, NU, NV, NW, NX, NY, NZ, OA, OB, OC, OD, OE, OF, OG, OH, OI, OJ, OK, OL, OM, ON, OO, OP, OQ, OR, OS, OT, OU, OV, OW, OX, OY, OZ, PA, PB, PC, PD, PE, PF, PG, PH, PI, PJ, PK, PL, PM, PN, PO, PP, PQ, PR, PS, PT, PU, PV, PW, PX, PY, PZ, QA, QB, QC, QD, QE, QF, QG, QH, QI, QJ, QK, QL, QM, QN, QO, QP, QQ, QR, QS, QT, QU, QV, QW, QX, QY, QZ, RA, RB, RC, RD, RE, RF, RG, RH, RI, RJ, RK, RL, RM, RN, RO, RP, RQ, RR, RS, RT, RU, RV, RW, RX, RY, RZ, SA, SB, SC, SD, SE, SF, SG, SH, SI, SJ, SK, SL, SM, SN, SO, SP, SQ, SR, SS, ST, SU, SV, SW, SX, SY, SZ, TA, TB, TC, TD, TE, TF, TG, TH, TI, TJ, TK, TL, TM, TN, TO, TP, TQ, TR, TS, TT, TU, TV, TW, TX, TY, TZ, UA, UB, UC, UD, UE, UF, UG, UH, UI, UJ, UK, UL, UM, UN, UO, UP, UQ, UR, US, UT, UU, UV, UW, UX, UY, UZ, VA, VB, VC, VD, VE, VF, VG, VH, VI, VJ, VK, VL, VM, VN, VO, VP, VQ, VR, VS, VT, VU, VV, VW, VX, VY, VZ, WA, WB, WC, WD, WE, WF, WG, WH, WI, WJ, WK, WL, WM, WN, WO, WP, WQ, WR, WS, WT, WU, WV, WW, WX, WY, WZ, XA, XB, XC, XD, XE, XF, XG, XH, XI, XJ, XK, XL, XM, XN, XO, XP, XQ, XR, XS, XT, XU, XV, XW, XX, XY, XZ, YA, YB, YC, YD, YE, YF, YG, YH, YI, YJ, YK, YL, YM, YN, YO, YP, YQ, YR, YS, YT, YU, YV, YW, YX, YY, YZ, ZA, ZB, ZC, ZD, ZE, ZF, ZG, ZH, ZI, ZJ, ZK, ZL, ZM, ZN, ZO, ZP, ZQ, ZR, ZS, ZT, ZU, ZV, ZW, ZX, ZY, ZZ.

FT/21/4

## 商業銀行

Granthorpe, Postlethwaite & O'Reilly

MERCHANT BANKERS

## Now! Datapost high-speed collection and delivery service to Singapore.

Datapost has already established a reputation for fast, reliable, secure delivery of urgent material overseas.

The Post Office has now expanded this service to include the Singapore markets.

For delivery of urgent commercial documents or business papers on a regular basis, Scheduled Datapost will collect at an agreed time. Correspondence which is urgent but irregular can be handed to Datapost 'On Demand' staff at an agreed Post Office. Both services are on a contractual basis.

Items collected or received by Datapost staff in London by early afternoon will arrive in Singapore the following evening for next morning delivery (items from the rest of the

U.K. are delivered in Singapore three days after collection).

Good news for international business.

Good news for you.

For further information, please contact: John Daley, FREEPOST,\* Room 446, Postal Headquarters, St. Martin's-le-Grand, LONDON EC1B 1HQ. Tel: 01-432 1919/1920.

\*No stamp required.

CHARGES	Regular	On Demand
First ½ kg	£12.00	£12.00
Each additional ½ kg	£2.20	£2.75

datapost  
A ROYAL MAIL SERVICE



# Individualist in retrospect

by NIGEL ANDREWS

Brighton Film Festival  
Improperly Dressed (AA)  
Sweeney Two (AA)  
ABC Shaftesbury Avenue

For once I can give some satisfaction to readers who complain that London film critics give scant attention to cinema outside the capital. The place to go for ten days starting on April 20 is Brighton. The Brighton Film Theatre is running three concurrent movie seasons, whose combined excellence is well worth the train fare south and the price of a modest hotel. There is a 14-film round-up of science-fiction films, there is a Jacques Rivette retrospective, and there is an anthology of the work of British film-maker Michael Powell.

The Rivette programme is the official star event, but the Powell programme is my personal pick of the festival. No one with ready access to TV set can have missed seeing one or more of Powell's films over the years: *The Thief of Baghdad* or *The Red Shoes* or *Black Narcissus* or *Stages of Hoffman*. But their regular exposure on the small screen is no substitute for seeing them on the large. Powell is the British cinema's great individualist. You cannot sit his flamboyant and prodigally inventive films in any recognisable British tradition. His work is the wild card in a national cinema otherwise typified by the sobriety of the documentary and "social realism" schools, or by the different quaintness of Ealing comedy and its heritage.

There is nothing different about Powell. His films explode around one's ears and eyes. They are also more "serious" than their saucy, exuberant surfaces often suggest. Go and see *Know Where I'm Going*, for example, the first film in the Brighton retrospective, and dis-

cover for yourself a lost masterpiece. What seems at first a crazy tale of romance on a Scottish island slowly emerges as one of the most original accounts of sexual love the British cinema has produced.

Another crazy tale of love is Jacques Rivette's *L'Amour Fou*, showing at Brighton on April 29. This is one of the two 4-hour magna operas (the other was *Out One Spectre*) made by the French director between his better-known—and shorter—*Le Regardeur* (1966) and *Celine and Julie Go Boating* (1974). Where *Out One Spectre* seemed to this critic impenetrable, *L'Amour Fou* is a work of indisputable brilliance: an eloquent and thorough vindication of the director's controversial fondness for improvisation and "open-ended" filming methods. Once one has hurdled the first hour, the film gets easier to watch, indeed positively compulsive, as time goes on.

The story, which began according to Rivette with a mere three-sentence plot sketch, is very simple. A theatre director (Jean-Pierre Kalfon) is rehearsing Racine's *Andromaque* when his wife (Suzanne Ogier) walks out on a leading role. Over ensuing days they watch what happens to each partner. He continues to spend his days at rehearsals, searching for a more truthful and un-biographical approach to Racine's play, and to spend his nights either with his wife or with a hospitable girl friend. She spends her days in their lonely flat, surrounded by the surrogate companionship of tape-recorders or dolls or mirrors, while her mental state slowly slides from depression to schizophrenia. The crisis in their relationship comes to a head—or rather is briefly exploded and relieved—in a 45-hour "week-end" in which the two smash up their apartment, tear up their clothes and conduct a kind of orgy of emotional

catharsis. Thereafter he drifts back to the theatre, she to her depression and all ends... well, you must discover for yourselves. It is impossible to convey from that summary that the film is funny as well as harrowing; not least when Mrs. Ogier has a performance as comically, poignantly despondent as any since Buster Keaton. Furthermore, the film uses its marathon length to interrogate its tragic intensity rather than to elongate it, allowing us other perspectives on the story than the merely personal. There are virtually three different media of communication at work here: the theatre (long extracts from Racine's play are acted out), 35 mm. film (the main story) and 16 mm. film (the nurse and taken refuge in a sanatorium. There he is to wait for a fellow escapee to arrive. The film gains its sense of authenticity from the fact that

the play was an actual play in production (with Kalfon as producer), the TV crew an actual TV crew. The guiding principle, Rivette has said in an interview, "was to let things happen by themselves without ever forcing them, to be there as a witness." The result is hypnotic. Treat yourself to a day in Brighton and go and see it.

The approach of Hungarian director Pal Sandor could not be more different from Rivette's. His film *Improperly Dressed* is an ornate, heavy-with-atmosphere period piece set in Hungary after the downfall of the Communist Republic in 1919. A boy attempting to flee across the border has disguised himself as a female nurse and taken refuge in a sanatorium. There he is to wait for a fellow escapee to arrive. The days pass, the boy finds his

assumed identity an increasing burden. Finally, after numerous alarms and threats of disclosure, his companion arrives and the two make their perilous bid for freedom.

The film has aimed at what might be called the Losey-enigmatic style. Weighty with period ornamentation, its musical soundtrack in elegiac waits time, the story floats rather than advances forward, and the vicious atmosphere of the proceedings is often more suggestive of an aquarium than a sanatorium.

I must confess to having walked out half-way through the film when I first encountered it last year at Cannes, and only professional duty kept me in my seat this time. It is clearly part of Sandor's purpose to present the sanatorium as a museum of old life-styles in which the youthful hero is trapped. But there is no antithesis to this in the film. It is all like a museum, including the grotesque and inexpressive main character, and the pervasive inertia is compounded by voices and sound effects that have the deadness of dubbing-studio post-synchronisation. One always feels guilty and/or ungrateful in disliking a foreign film brought to London by our most adventurous independent exhibitor, Derek Hill. But his adventurousness here is misplaced: there are foreign movies far worthier of his attention still queuing up to get into London.

John Thaw and Dennis Waterman ride again as the two Flying Squad detectives from the TV series *The Sweeney*. *Sweeney Two* is distinguishable from *Sweeney*, its big-screen predecessor, chiefly in its fractionally less idiotic and implausible plot and its fractionally reduced dependence on the foul-mouthed charm of its heroes. The action keeps moving, not to any great purpose but with much noise and bustle, and Thaw and Waterman trade expletives with a lot less of the avert-your-eyes self-consciousness shown before. The plot is about a coven of expatriate criminals who live in luxury in Malta, drinking chilled wine and eating a fresco lobster, and make periodic sorties to London to rob banks. Can Regan and Carter catch them?

The non-appearance of London newspapers some weeks back meant that many readers did not hear about what were then, and still are, the two best films in London. Lose no time at all in going to see Luis Bunuel's *That Obscure Object of Desire* and Nagisa Oshima's *AI No Corrida*. The first is the Spanish director's best film in years. The second is a study in eroticism as passionate, intelligent and genuinely "adult" as this country has ever seen.



John Thaw and Georgina Hale in 'The Sweeney'

Festival Hall

## A Mass of Life

by RONALD CRICHTON

Even now, when Delius, his most magical music in the score, Groves made much of them in his way of his own, using a lighter palette than the old type of choral conductor, helped by some admirable playing from the BBC Chorus. One danger was not entirely averted. With the lighter orchestral palette, slow movements like the noon-tide episode in part two are in even greater danger than usual of dragging—on Wednesday "der alte Mittag" was lovely indeed, but the pulse threatened to droop and prolong the loveliness for all eternity.

The work was sung in Nietzsche's German with a sensible English translation by Edward Travis printed in the programme. The language may have hampered the choir, at least at first. It comes easily enough to Benjamin Luxon, who has made the baritone solo his own—he was equally admirable in style and tone and commanding presence. Scarcely ever did one feel the awkwardness that sometimes makes Delius sound as if the vocal line had been stuck on afterwards. In the *Mass* the other soloists are also rare by comparison, though they have responsible things to do. Neither Margaret Curphey nor Helen Watts sounded in clearest voice, but Richard Lewis successfully defied time.

These contain some of the

Sadler's Wells Theatre

## La Boutique Fantasque

by CLEMENT CRISP

When the first pizzicato notes (adorable, incumbent of the of *Boutique's* overtone sound, still fresh, and then the beautiful Derain set comes into view, we know that there is still a lot right with the world. It is not an easy ballet to bring off, and the Sadler's Wells Royal Ballet presentation at the opening of the season on Wednesday was a triumph. The piece has been so much right about it that one can never be wholly disappointed by a performance.

Derain's designs establish the happiest of atmospheres; the Rosini-Respihi score is a compendium of delights; Massine's choreography responds to attention with energy. Ideally, the dancing should catch all the music's ebullience, but the SWRB's list of dancers is too small to give themselves totally to their roles. I thought that John Auld and David Morse as the shoe-keeper and his assistant, and Kim Reeder and David Bingley as the shop and the mellow seller, best captured the *Boutique's* manner—sharply focused, electric in accent. Elsewhere, good intentions and an unfamiliarity with the Ballet Russe style made the action and characters look flimsy. Brenda Last and Alain Dubreuil were the Can-Can dancers, and dutiful on their occasion rather than inspired: memories of Massine himself and Danilova (and Pamela May, an

Mermaid

## St. Mark's Gospel

by B. A. YOUNG

On to the bare stage of the Mermaid, empty but for a cheap table and three chairs, Alec McCowen enters and with studied inconceal picks up a piece of off from the floor. He is wearing casual clothes, with an open shirt. After a friendly chat, he tells the Gospel story as written by St. Mark and translated for the King James version. A paperback New Testament lies on the table, but he has no need of it.

It is an astonishing feat of memory, but this is not the most remarkable thing about it. What makes the performance so admirable—and it is a performance, however casual—it may appear—is the freshness it brings to the familiar words. You can imagine the amazement, the excitement, the joy, the sorrow, at Mark felt when for the first time he heard the story from St. Peter and his friends. There is little light characterisation—no *Saducees*, with their trick

question about the single bride for seven brothers are made to seem very foolish—but for the most part this is simply a narrative told, as it were, over a camp fire.

It brings the words to a life that is quite unlike their sound as spoken, no matter how carefully read from the text. And for me it confirms the supremacy of the King James version. Occasional difficulties may persist: Mark didn't make the argument about salt very clear, for instance; but for the most part the narrative is swift and easy.

Mr. McCowen's voice, as bright as a jewel and as crisp as a water-biscuit, is an ideal instrument for such an undertaking. The words become a story again, not a lesson. The recital lasts about two hours, and a quarter with an interval in the middle, and there is not a moment where the attention can be allowed to flag. The run at the Mermaid lasts only until Sunday.



Alec McCowen

## BUITELAAR GROUP OF COMPANIES

(FRANS BUITELAAR LTD.) are honoured to receive

the QUEEN'S AWARD FOR EXPORT ACHIEVEMENTS in 1978.

Meat & Livestock International Frans Buitelaar Ltd.,

Marsh Lane, Boston, Lincolnshire.

Tel. No.: Boston (0205) 61385 Telex: 37678

Covent Garden

## Otello by ELIZABETH FORBES

Few theatrical productions—that makes the violent, jealous least of all operatic stagings manage to keep their shape for over 20 years. Covent Garden's *Otello*, produced by Peter Potter and designed by Georges Wakhevitch, was first unveiled 22 years ago, and six months ago, revived on Wednesday by Mr. Potter himself, it still has a recognisable character and identity, though there cannot be many—if indeed there are any—individuals even from the chorus or the orchestra, who took part in that performance on October 17, 1955.

Carlo Cossutta, who sings Otello, encompasses the notes of the role with an exhilarating freedom from strain. He is convincing as soldier and as lover, but there is a certain lack of tension in his performance.



Carlo Cossutta and Maria Chiara

Bush

## On The Out by MICHAEL COVENEY

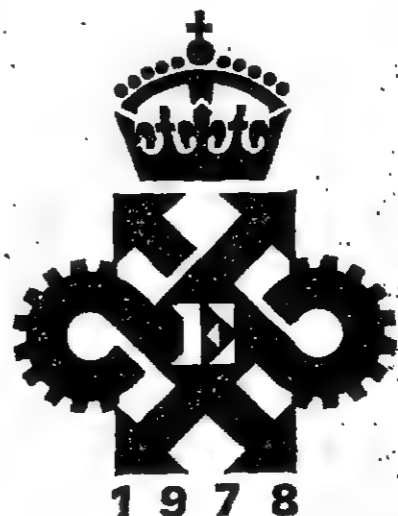
Half-caste Zoltan is "on the out" after serving one year as a guest of Her Majesty for a minor crime in the East End. Tunde Ikoll, a black London playwright who wrote a delightful domestic comedy along Matura lines two years ago, proceeds to offer an unrecognisable Michael Feast lumbering with Whitechapel milieu where the John Chapman's production for Foco Novo is all gloss: painted white doors all over the stage evoke the everyday life of symbol folk without relating to the multiracial tensions of imagery among the latest Krays. At times one feels that Mr. Ikoll could have written a really interesting piece about the disenfranchised black teenage community in East London, actually talks like that except when featured in plays like this. Or in impro-

visations by Mike Leigh. The trendy, patronising tone you could cut with a knife. The character in question is a white gangster now only half-embroidered in the gang's bangs "up West" on account of being recently married, poor deprived thing. It is sad to see an actor as talented as Michael Feast lumbering with Whitechapel milieu where the John Chapman's production for Foco Novo is all gloss: painted white doors all over the stage evoke the everyday life of symbol folk without relating to the multiracial tensions of imagery among the latest Krays. At times one feels that Mr. Ikoll could have written a really interesting piece about the disenfranchised black teenage community in East London, actually talks like that except when featured in plays like this. Or in impro-

Whitechapel roots with the author. I am even further disappointed that there is no more specific than is Shakespeare's notion of Illyria. What country, friends, is this?

Philip Martin's TV series *Gangsters* explored a fantasy underworld in an accurately defined Birmingham milieu. It is a sign of Mr. Ikoll's failure to do something similar that the most effective character is Barry, as played by Roderick Smith, a self-debating bower boy who is all mouth and no teeth. There are some nice comic touches, applied by Billy Murray to a dramatic face in no need of the debilitating cosmetic surgery of Alan Ligon's Liverpoolian wide boy in a "bright" white suit and floating winkle-pickers.

## BLUE CIRCLE GROUP

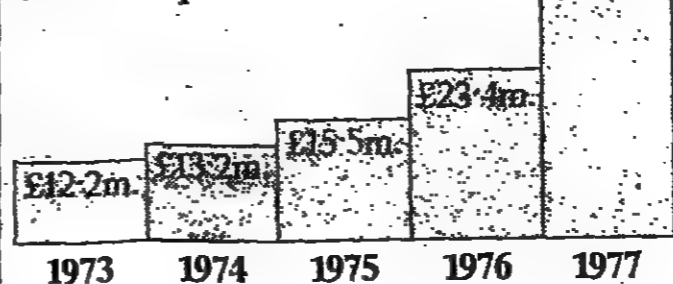


THE QUEEN'S AWARD FOR EXPORT ACHIEVEMENT

The award has been granted for our success in three areas:

The export of cement, clinker and other products to 105 countries valued at £47.4m in 1977.

Value of Exports



Overseas earnings which provided over half the pre-tax profits.

The supervision of cement works construction contracts overseas, currently valued at over £300m, and the export of technical and management services including the procurement of plant and machinery.

Blue Circle's export achievement has been made possible by the consistent effort of all its employees in the United Kingdom and overseas.

## The Associated Portland Cement Manufacturers Limited

Portland House, Stag Place, London SW1E 5BJ



# How the Left came to love Carter

**"MY FATHER."** President Carter wrote in his autobiography *Why Not the Best?* "I was quite conservative, and my mother was and is a liberal." But he went on: "Within our family we never really thought about trying to define such labels."

It is true that the terms "liberal" and "conservative" are used rather less in American politics than in Britain, and the terms "left" and "right" are used hardly at all. It is also true that there has long been a tradition in the U.S. of a politician being liberal on one set of issues and conservative on another and having no particular trouble with his party. Senator Fulbright, for example, was distinctly, even aggressively liberal on Vietnam, but profoundly conservative on race, and no-one in America thought that especially odd.

Yet in Britain, and perhaps much of Europe—people tend to look for labels, and that, one suspects, is one of the troubles in the reactions to President Carter. Mr. Carter is conservative on fiscal policy, but liberal in practically everything else. There is also a tendency to believe that when it comes to foreign policy all American presidents will behave in much the same way, that is in the end, the U.S. will lead, and will go so far from the classic post-war anti-communist position. It is rather puzzling to find that Mr. Carter does not quite fit into that mould. The general assumption is still that sooner or later, whatever the President may be saying now, eventually he will have to stand up to the Russians, and perhaps even to intervene militarily in some part of the world where the case

for defending human rights is less than clear-cut. There is another possibility which is that the rest of the world, and especially America's allies, will have to adjust to President Carter rather than the other way round. Some evidence that this is already happening can be found in the attitudes of British politicians. It is, after all, unusual for an American President to be roundly and publicly criticised by a Conservative Shadow Defence Secretary. Mr. Carter was by Sir Ian Gilmour for his decision to shelve the production of the neutron bomb. It is no less striking to find the President emerging as something of a hero among the Labour Left. The admiration of Mr. Callaghan and of Dr. David Owen, the Foreign Secretary, for Mr. Carter is well known, but in no sense can they be described as on the foreign policy Left of the party. It is something different when the praise starts to come from (say) Mr. John Mendelson.

**Neutron bomb**

Of course, the neutron bomb decision has a great deal to do with it. President Carter came down against production at a very moment when Mr. Callaghan and the Social Democratic Chancellor of West Germany, Herr Helmut Schmidt, appeared to be about to ask him to do the opposite. The good name of the Left was saved by American intervention. But that is, as it were, the affair of the moment; there is really much more to it. Mr. Mendelson would say, for instance, that Soviet-American relations are now more secure than they have been at any stage in the last 15 years, and

that largely as a result of President Carter's refusal to push the strategic arms race or to intervene wherever there is the emergence of Soviet power. This is not presented as an expression of American weakness, but of a new-found strength. It is argued that America can proceed by diplomacy and by setting an example. Thus if the U.S. is seen to be on the side of the oppressed, and to have forsaken military intervention in support of anti-communist, but not usually democratic regimes, all sorts of people will follow the American lead.

Nowhere is this more true than in Africa, and especially southern Africa. The Carter Administration has earned the gratitude of the Left by its apparent readiness to stand up and be counted on the southern Africa question. It is credited with having almost brought down Mr. Ian Smith in Rhodesia, although in fact the virtual capitulation of Mr. Smith took place in the final stage of the Kissinger period.

It is also applauded for being ready, as the British Government never has been, to do something about South Africa. Even now, Britain goes along with American policy in southern Africa largely in the hope that a peaceful settlement in Rhodesia and Namibia would postpone having to do anything very much about South Africa proper. The Government trusts that even American pressure would then ease off. The Left, on the other hand, tends to believe that President Carter might just go on pushing, and it could be right.

There are one or two other areas where this kind of new alignment between the Left and



Mr. John Mendelson, MP, a leading Left-winger. (Right) President Carter: "My father was quite conservative and my mother was, and is, a liberal."

the U.S. Administration applies. For example, the British opposition to Windward produced the argument that the Americans don't like reprocessing, therefore it must be wrong. In the past, the Left wing argument would have been almost invariably the reverse: anything that the U.S. supported, the Left tended to oppose, and vice versa.

As usual, the Left is quite well-read. If one looks at President Carter's writings or speeches, there is indeed a great deal of evidence that he is a new kind of American President, at least for the post-war period. Clearly he does have sympathy for the blacks, and not only in the U.S. Equally clearly he believes in human rights, and again in a universal application. Not least, he appears so far to try to practice what he preaches, and it is

plain beyond doubt that he is reacting against all post-war Presidents since Truman: against the inactivity of Eisenhower, the glamour of Kennedy, the continued intervention of Johnson in Vietnam, and the secrecy and ultimate deceit of Nixon.

There are, of course, some contradictions. The human rights campaign cannot be pushed so far that it alienates countries with which America needs to maintain or improve relations. The U.S. can do its best to show its concern about oppression in the Soviet Union, but not to the extent of jeopardising the superpower relationship or perhaps losing a second strategic arms limitation agreement. It is the same with the oil producers: there would be much to be said, in practical terms, for a campaign to democratise Saudi Arabia which

ended in revolution and no oil supplies. But, within limits that are hard to define, perhaps the human rights campaign, or the growing awareness of which side America is on, can be effective. Only a purist would insist that the campaign be pushed all the way.

There is also the paradox that while most of the better-known American decisions taken by President Carter have been against the introduction of new systems, he appears to be more than conscious of the need for American military power. At least one of his defence speeches has been quite hawkish. The U.S. contribution to NATO under the Carter Administration has in fact increased. Meanwhile, Dr. Harold Brown, the Defence Secretary, is working on ways of improving America's capability to intervene militarily in areas where there is no treaty

obligation to do so. He is acting with the apparent approval of the President, despite the expressed preference for non-intervention.

All that adds up to a fairly confusing pattern. Yet it is still possible, as a certain kind of order, which might be summarised as follows. The U.S. needs military power, if only for use in the last resort. But there is no need for overkill, so let us go as far as we possibly can for arms control and eventually for disarmament. Let us also make clear that we shall not automatically help any regime that says it is anti-communist and claims to be under left-wing attack. We are, after all, on the side of human rights. Besides, we must do all that we possibly can to preserve our own freedom of action. Pace Dr. Kissinger, there is no such thing as a viable "conceptual framework" for running the world, or even for preserving world order. The U.S. will provide leadership, but it is up to others to follow, or not, as they choose.

If that summary is at all accurate, and if President Carter sticks to those outlines, it would appear that the rest of the world is in for a period of re-adjustment. American responses can no longer be regarded as automatic and in line with those of previous Administrations. Some of that re-adjustment may be already taking place in Britain, but it still has a long way to go and one suspects that it has much further to go in West Germany. Yet the effect on the foreign policy stance of the political parties could be quite traumatic.

To give just one anecdotal example. Very early on in the

Carter Administration Dr. Owen remarked that the trouble with the front-line Presidents in southern Africa, and indeed with the guerrilla leaders, was that they did not realise how radical Mr. Carter was. They had an automatic anti-American reflex born of years of experience, and it would take them a long time to lose it. One wonders now whether even Dr. Owen himself was fully aware of the extent of President Carter's potential radicalism.

A purely non-party view might be that Mr. Carter's approach of withdrawing from interventionism and going for arms control is broadly right, provided that he can put it into execution and provided that he has fully considered the possible consequences. There is also, however, the question of competence. His decision on the neutron bomb may have been the right one, but it could have been far more effectively and easily reached six or even nine months earlier.

It is odd, too, that a man who prided himself before his election to the Presidency on his membership of the Trilateral Commission should appear to have forgotten some of the principles on which trilateralism was based. Those were not only the bringing together of Europe, the U.S. and Japan, but also the linking of political, economic and security issues. There is not too much sign of that in the Carter Administration; and it remains just possible that the admirable policy of non-interventionism could turn into isolationism if there is not a better mutual understanding between America and its allies.

Malcolm Rutherford

## Letters to the Editor

### Bureaux de change

**From the Marketing Manager, Neutropin Services.**

Sir—Mr. Rost is the Conservative MP for Derbyshire South East. Currently he has been attacking bureaux de change for what he considers are their exorbitant charges and has achieved considerable publicity for doing so.

Generally Mr. Rost's criticisms are ill-conceived but typical of those levelled at the bureaux de change business. I should like to correct the record.

A bureau de change is a retail business, like any other but there is one crucial difference. The authorities compel us to sell our foreign currency to the authorised banks and in effect this means the clearing banks. Because of these requirements to clearing banks need give bureaux de change no more than token improvement in the rate offered to the public; perhaps 1-1.5 per cent. This meagre amount is the sum of our advantage over the general public allowed to use the clearing banks. We are therefore precluded from competing with them on price if we are to operate in prime West End locations which is where the tourists and the "home market" are chiefly to be found.

We can however, and do, compete with clearing banks on service. Our cheque customers, for example, are only too pleased to deal with us on a 4 per cent. margin if it means an extra 10p on the £100. This is a service which the clearing banks cannot match.

Unconsciously it is possible to operate a small provincial office in an owner-manager basis at rates published by the clearing banks in the same way that a business with a West End showroom. The overhead is the difference. It is pure mischief, however, to suggest that bureaux de change in general could ever compete on even terms with the clearing banks who are our suppliers and set the "floor" price from which we must operate.

In a sudden access of conservatism Mr. Rost tells us on TV and in the Press that he has sent out an American diplomat posing as a tourist. Their joint activities are not revealed in much detail, but he says, bureaux de change are "rooking" the tourists. Some bureaux he alleges charge 20 per cent. Frankly, we doubt it and Mr. Rost should provide evidence if he has it. If any bureaux de change business were to charge 20 per cent. it is doubtful that they would survive. We seriously feel no need to apologise to Mr. Rost for our margins; our only regret is that we cannot charge more. Competitiveness is too great.

J. A. Jordan  
Chequeredale Services  
47, Old Brompton Road, S.W.7.

### A land release programme

**From Mr. D. Gimson.**

Sir—I am surprised that Mr. David Morris (April 10) still believes that land shortage is the main reason lying behind high land prices. While this shortage undoubtedly contributes to higher prices through developers competing for available land, by far the most important factor in pushing up land prices is the expectation of higher house prices.

It seems clear to me that land values are pulled up by house prices rather than house prices being pushed up by land values. This is borne out by the experience over 1973 to 1976 when land prices were forced down from their peak in 1972-73 by a stagnant housing market. Houses sell for what the market will bear and the cost to the vendor (whether developer or individual) is quite irrelevant.

The general level of house prices is principally determined by sales of second hand houses and prices of new houses consequently cannot be significantly higher than the general level or they will not sell. It is expected that new houses for sale will be built at the rate of around

150,000 per annum for the foreseeable future. This level will only provide between 15 and 20 per cent. of house sales in any year and quite clearly new houses prices will have to be broadly in line with second hand house prices.

Developers decide how much they are prepared to pay for land on a residual basis. That is to say, having made their own judgement on what to build and how much it will sell for, they then deduct the total cost of building the houses plus finance charges and profit margin from the predicted income to arrive at what they can afford to pay for the land. Obviously these assessments, including particularly the view taken of future sales and cost inflation, vary between developers so no two will arrive at exactly the same conclusion for an individual site.

Mr. Morris is right to ask for a substantial reduction in the level of development land tax and for a positive land release programme. Both these measures will considerably assist in meeting the strong demand for new houses assuming, of course, that the land release programme relates to the house building industry's capability to build.

D. A. Gimson  
1, Meadow Close,  
Hatch End, Middx.

### ICI pay claim by managers

**From the President, Association of Professional Scientists and Technologists.**

Sir—Many large companies have acknowledged the essential part their managerial and professional staff play in promoting and maintaining productivity and profitability. They have declared that they wish they could increase the relative remuneration of these workers if only the Government would allow them to do so. Similar sentiments have been voiced by several corporate bodies of employers.

Cynics may sometimes wonder how sincere these desires are to

### Lack of real rewards

**From Mr. I. Blackwell.**

Sir—A recent salary survey by the Institution of Chemical Engineers produced an interesting table. It showed the remuneration of members with the hours of overtime worked.

Assuming basic hours as 37 per week and employees realising work 47 weeks a year. Taking overtime per week as the mean of the range given then the following table can be calculated.

Overtime hrs/week	£ p.a.	£/hr.
none	6,500	3.7
21	7,030	3.8
27	8,000	3.8
123	9,251	4.0
173	8,500	3.3

Nowadays one expects more senior people to have higher salaries but also to work longer hours. This is reflected in the table but surprisingly the basic rate for the job hardly changes. Thus we have another example of the lack of real rewards for gaining promotion in our society.

Fermata,  
20, The Long Shoot,  
Nuneaton, Warwickshire.

### Budgetary backache

**From Mr. P. Lomax.**

Sir—With regard to David Churchill's article on "budgetary backache" (April 14) we hope you may be interested in the studies done in the U.S.A. comparing the efficiency of chiropractic management of industrial back injuries with that of orthodox medicine. The results of the research suggest that if chiropractors' services were included on the NHS the overall cost of back pain to the nation could be reduced by more than half.

Peter J. Lomax,  
(On behalf of the British Chiropractors' Association),  
4, Highbury,  
Newcastle-upon-Tyne.

## To-day's Events

- GENERAL**
- London's new market in traded share options opens at Stock Exchange.
  - NALGO water authority workers meet on pay claim.
  - Welsh TVC conference opens, Llandudno (until April 23).
  - Mr. John Silkin, Minister of Agriculture, addresses public meeting at Deptford Labour Party, Town Hall, 8 p.m.
  - Judgment expected in case of stockbroker Mr. Lewis Altman and his partner Mr. Robert Carnes charged in connection with alleged exchange fraud.
  - Dr. Milton Friedman, U.S. economist, gives first in series of lectures jointly sponsored by Hoover Foundation and Strathclyde University, Glasgow.
  - Guild of British Newspaper Editors' conference opens, Harrogate (until April 28).
  - Two-day meeting ends in Brussels between Keidanren, the Japanese trade association, and Union of Industries of the European Communities.
  - Natural Rubber Producing Countries' executive committee meeting continues in Kuala Lumpur to agree proposals for international rubber agreement.
  - International Civil Aviation Organisation meeting due to end in Montreal.
  - Law of the Sea Conference continues, Geneva.
  - Sir Peter Vaneck, Lord Mayor of London, launches appeal for
- Shakespeare Theatre Trust**  
Mansion House, E.C.4.
- Scottish TUC conference ends**, Aberdeen.
- PARLIAMENTARY BUSINESS**
- House of Commons: Private Members' Bills, including Employment Protection (Amendment) Bill, sponsored by Mr. Ian Mikardo (Lab., Bethnal Green and Bow), which gives workers the right to claim for unfair dismissal when they are dismissed during union-recognition disputes.
- OFFICIAL STATISTICS**
- Financial accounts of industrial and commercial companies and personal sectors and new acquisition of financial assets, analysis by sector (fourth-quarter). New vehicle registrations (March).
- COMPANY RESULT**
- S. Pearson and Son (full-year).
- COMPANY MEETINGS**
- Carlisle Investment Trust, Newcastle upon Tyne, 12.15. Investment Trust of Guernsey, St. Peter Port, 2.30. Inveresk, Connaught Rooms, E.C. 2. Tyneside Investment Trust, Newcastle upon Tyne, 12.30. Woolworth (F.W.), Connaught Rooms, W.C. 11.45.
- OPERA**
- English National Opera perform Carmen, Coliseum Theatre, W.C.2, 7 p.m.
- SPORT**
- Swimming: Great Britain v Italy v Netherlands, Crystal Palace, 7 p.m.

# Swire Pacific Limited

## 1977 Profits After Tax HK\$185 million

47% increase in earnings per share

Additional extraordinary profit of HK\$20 million arising from sale of shares on flotation of Swire Properties Limited

Final dividends of 22 cents per 'A' share and 4.4 cents per 'B' share recommended — making an increase in total dividends for the year over 1976 of 28%

Scrip issue recommended of one for ten, with expectation of dividend rate being at least maintained

Encouraging outlook for 1978 in the principal activities of the Group

J.H. Bremridge  
Chairman

FINANCIAL HIGHLIGHTS	1977 HK\$ million	1976 HK\$ million	1975 HK\$ million	1974 HK\$ million	1973 HK\$ million
Turnover	1,811	1,586	993	300	235
Attributable Profits	185	125	73	51	37
Dividends	102	80	62	39	36
Shareholders' Funds	1,443	1,322	1,119	888	259
*Earnings per 'A' share	58.12¢	39.44¢	31.68¢	24.13¢	18.60¢
*Dividends per 'A' share	32.00¢	25.00¢	20.83¢	18.75¢	17.71¢

\*As adjusted for 1977 bonus issue.

£STG1 = approx. HK\$8.7

**Swire Pacific Limited**  
The Swire Group  
Swire House, Hong Kong.

# COMPANY NEWS+COMMENT

## Strikes help carve £17m. off Dunlop

A SLUMP in second half taxable earnings at Dunlop Holdings cut the total for 1977 by £17m. to £57m. Sales were 7 per cent. ahead from £1,380m. to £1,460m. with the U.K. content up 16 per cent. at £537m. and direct exports up 12 per cent. at £141m. Half-time profit was reported higher at £21.8m. (£20m.).

Full-time operating profit, down at £70m. (£83m.), was unexpectedly reduced in the last quarter largely by lost production due to industrial action in the U.K. factories of both the company and its customers in the motor industry.

Over the year as a whole operating profit from the tyre business in Europe and North America was lower but there was increased performance in most other parts of the group, the directors say.

On a current cost accounting basis the 1977 surplus was £20m. (£22m.) after additional depreciation of £26m. (£23m.). cost of sales of £26m. (£25m.) and a gearing adjustment of £18m. (£21m.).

The directors say that turnover continues to grow both at home and overseas but trading conditions for the tyre industry in Europe remain very unfavourable in the current year.

Sir Campbell Fraser, the managing director, said later that industrial action in the U.K. factories had cost some £7m. in operating profits and other disputes within components suppliers around £2m.

The U.K. tyre operations' contribution was slightly down at £9m. and the prospects of these interests in the U.K. for this year again looked depressed. There is excess capacity and, for the time being, little growth, he said.

The group was also facing stiff competition. So far in 1978, U.K. tyre profits were slightly down, but non-tyre interests in the home market had balanced out the shortfall, he added.

Stated earnings per 50p share for the year were 16p (21p) and a net final dividend of 2.65p (11p) the total to 5.3p (4.55p).

Capital spending during the period amounted to £34m. (£43m.). Net assets employed grew to £718m. (£684m.) or £1.01bn. (£928m.) on a current cost basis, with two-thirds of the growth financed from internally generated funds, a quarter by a rights issue and the remainder from increased borrowing.

The group has earmarked some £7m. (£5m.) for investment this year with just over a third for the U.K. The emphasis for the tyre operations would generally be on modernisation rather than expansion, Sir Campbell explained.

An analysis of sales and operating profits by product in percentages shows: tyres 60 (61) and 33 (31); consumer goods 18 (same) and 10 (13); industrial products 13 (same) and 27 (25); engineering products 8 (same) and 11 (8); and plantations 3 (3) and 11 (5).

On a geographical basis the split was: U.K. 39 (36) and 40 (37); Europe 24 (27) and 23 (21); Americas 13 (14) and 17 (15).

### HIGHLIGHTS

Dunlop has produced significantly lower profits for the year, reflecting strikes, the strength of sterling and a general squeeze on the tyre business. Turner and Newall is making a one-for-four rights issue at 152p to raise £32m. and the proceeds will be used to expand production capacity; no profits forecast has been given. Lex also takes a look at the profit-sharing provisions of the Finance Bill. Elsewhere, Clive Discount has turned in a healthy increase in profits but the hopes of substantial growth at Hestair has not materialised with profits only £1m. higher. Lead Industries had already given the market notice that, despite a sharp setback at the important associate, overall profits would be little changed so there were few surprises in the outcome. Harold Perry has had a bumper year with profits 76 per cent. higher thanks to a strong growth trend in new vehicles where leasing has been a particular feature. Following the sharp growth last year Martonair has now produced a first-half gain of 48 per cent., while the overseas side has been the main prop at John Mowlem.

(21); Africa 8 (9) and 12 (same); and Asia and Australasia 14 (same) and 28 (25). At the attributable level, the loss in France totalled £1.6m. (profit £200,000) and in Germany £700,000 (£1.2m.).

The share of associated companies was down, including investment income, at £12m. (£17m.) with lower results from Pirelli companies, when translated into sterling, and a substantial loss from International Synthetic Rubber Company.

The combined results of companies in the Dunlop Pirelli Union as a whole, including Dunlop members, excluding Industrial Pirelli, sales 5 per cent. up at £2,020m. (£1,920m.) and taxable profit down at £100m. (£126m.).

The group was also facing stiff competition. So far in 1978, U.K. tyre profits were slightly down, but non-tyre interests in the home market had balanced out the shortfall, he added.

Stated earnings per 50p share for the year were 16p (21p) and a net final dividend of 2.65p (11p) the total to 5.3p (4.55p).

Capital spending during the period amounted to £34m. (£43m.). Net assets employed grew to £718m. (£684m.) or £1.01bn. (£928m.) on a current cost basis, with two-thirds of the growth financed from internally generated funds, a quarter by a rights issue and the remainder from increased borrowing.

The group has earmarked some £7m. (£5m.) for investment this year with just over a third for the U.K. The emphasis for the tyre operations would generally be on modernisation rather than expansion, Sir Campbell explained.

An analysis of sales and operating profits by product in percentages shows: tyres 60 (61) and 33 (31); consumer goods 18 (same) and 10 (13); industrial products 13 (same) and 27 (25); engineering products 8 (same) and 11 (8); and plantations 3 (3) and 11 (5).

On a geographical basis the split was: U.K. 39 (36) and 40 (37); Europe 24 (27) and 23 (21); Americas 13 (14) and 17 (15).

were also bolstered by the French subsidiary to breaking even and there is a prospect of a small profit for the year. However, it is at home that the group has recorded buoyant growth. A 33 per cent. rise in home sales to £32m. indicates an increase in market share which was achieved by having stocks readily available at its growing number of branches throughout the country. This represents a significant advantage since such equipment is usually required on short delivery basis. Martonair is looking for a slight gain in the second half, which may lift pre-tax profits for the full year by 23 per cent. to £4.5m. The shares rose 14p yesterday to 160p which gives a prospective p/e of 8.3 (fully taxed) and yield 5.6 per cent.

## City Hotels tops £1m.

REPORTING its first annual results as a public company, City Hotels Group shows taxable earnings of £1,069,813 on turnover of £6.18m. for the 32 weeks to January 1, 1978. For the previous 53 weeks the surplus was £743,359 on sales of £4.85m. In addition a one-for-four scrip issue is proposed.

Half-time profit was £430,000, against £320,000, and the directors said that all divisions had increased turnover and profits and the trading position was encouraging.

Earnings per 20p share are stated at 18.7p (16.71p) and a net final dividend of 2.04p takes the total to 20.75p, marginally ahead of the level forecast in the prospectus published in June 1977. The directors anticipate maintaining the same rate of payment on the increased capital for the current year.

After tax of £806,496 (£418,188) the net balance carried out at £283,319 (£225,771) and there were extraordinary credits this time of £48,948.

After tax of £806,496 (£418,188) the net balance carried out at £283,319 (£225,771) and there were extraordinary credits this time of £48,948.

After tax of £806,496 (£418,188) the net balance carried out at £283,319 (£225,771) and there were extraordinary credits this time of £48,948.

### DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
City Hotels	2.64	May 26	2.86	3.98	3.98
Clive Discount	2.77	—	3.17*	4.77	4.32*
Coral Leisure	3.25†	—	1.5*	6	4*
James Oresan	3.09	July 11	2.76	8.45	8.45
Dunlop Holdings	2.65	—	2.6	5.3	4.55
Free State Geduld	1.30‡	June 9	30	—	240
Gen. Scottish Tel.	1.95	July 5	2	3.95	8
Hawker Maris	4.67	—	4.22	8.46	5.65
Hestair	4.15	July 4	3.85	8.24	5.87
Joseph Holt	1.51	—	1.3	2.17	1.95
Holyrood Rubber	26	June 20	19.51	33	24.33
Hongkong (Selangor)	5.94	—	4.21	7.26	4.56
Interp'n Prop.	0.75	July 1	0.1	—	0.1
Jersey Elec.	7	—	7	11	11
Leadenhall Sterling	1.43	Aug. 2	2.17	4.09	3.69
Lead Inds.	5.47	July 3	3.26	7.37	5.59
Leslie and Godwin	3.19	—	2.9	4.47	4.11
Le Vallonnet Inv.	2.15‡	—	2.15	2.15	1.5
Lon. & Holyrood Tel.	2.5	July 28	2.2	3.6	3.2
Lon. & Prov.	2.5	July 28	2.2	3.6	3.2
Martonair Int.	1.75†	May 18	1.59	—	3.34
MTD Mangula	32	June 19	8	—	14
John Mowlem	5.24	July 1	3.25*	2.96	2.25*
Owen Owen	2.51	—	2.01	2.96	2.96
R. Perry Motors	5.31	—	2.63	5.88	4.98
President Brand	3.3†	June 9	70	—	130
President Stern	304	June 9	10	—	20
Scottish Mart.	2.1	June 22	2.1	3.2	3
Selection Trust	11.9	June 19	11.72	11.14	16.22
Viking Res.	1.1	June 20	0.9	1.1	0.9
Wadkin	3.99	June 3	3.43	5.96	5.3
Welkom Gold	251	June 9	7.5	—	35
Western Holdings	190‡	—	—	—	280
Wilson (Connolly)	1.35	July 3	1.12	2.5	2.23

Dividends shown pence per share net except where otherwise stated. \*Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡South African cents. †For 17 months, gross throughout. ‡For nine months.

## J. Mowlem advances to record £6.1m.

WITH A sharp rise in associate contributions from £0.32m. to £1.88m., pre-tax profit of John Mowlem and Co., the construction group, expanded from £4.25m. to a record £6.13m. for 1977, on turnover up to £25.32m. at £145.58m.

In October, the directors said that second half profit should be in line with the midway figure of £2.75m. (£1.88m.) then reported. However, this forecast was made prior to the acquisition of the McFay Companies and therefore, did not take into account an eight-month contribution from these, which was expected to be "useful."

After tax of £3.06m. (£2.36m.) stated full year earnings rose from 15.7p to 20.39p per 25p share. As forecast, a final dividend of 5p raises the total on increased capital to 6.3p (adjusted 5.25p (£6.95p)).

The directors report that U.K. margins are likely to be affected by past and present Government cutbacks and by bad weather in 1978. Overseas current margins are satisfactory, but competition from Far Eastern contractors is growing.

More than a third of John Mowlem's 46 per cent. profits rise comes from the McFay acquisition. But that "still leaves healthy growth of more than a quarter for

the full year and this comes from overseas, where the contribution to group turnover has risen from a quarter to around 30 per cent. The Middle East is starting to provide good profits from a number of general construction projects while East Africa—as a result of a number of sugar factory contracts, dams and roads—continues to shine. There was also an exceptional contribution from Australia, where reconstruction work at Darwin has boosted the associate's share three-fold. Overseas markets also provided growth for the engineering products division. Meanwhile, the U.K. construction activities, which has had more than its fair share of recession, managed to hold its own with past contracts still coming through, but margins are becoming tighter. Increasing competition in overseas markets will also make things more difficult but with a strong balance sheet, Mowlem is well placed to ride out difficult times. Tax shares, at 125p, are on a p/e of 8 while the yield is 7.9 per cent.

The directors report that U.K. margins are likely to be affected by past and present Government cutbacks and by bad weather in 1978. Overseas current margins are satisfactory, but competition from Far Eastern contractors is growing.

### ISSUE NEWS

## Turner and Newall £32m. rights

Turner and Newall is proposing to make a rights to raise £32m. on the basis of 1-for-4 at a price of 152p per share. Dealings are expected to commence (nil-paid) on Wednesday, 26 April. The issue has been underwritten by J. Henry Schroder Wagg and Co., while the brokers are Hare, Goveat, and Henry Cooke, Lumsden and Co.

The share closed yesterday at 171p down 11p. The board considers that the group's longer-term plans, in particular those for capital expenditure in the U.K. and overseas, require a strengthening of the equity base. U.K. capital expenditure during 1977 at £16.3m. was some 70 per cent. higher than that of 1976 and planned for 1978 is over £25m., largely for the purpose of expanding production capacity.

The board feels that it is early to make a profit forecast for the current year. Trading has been disappointing in the period with the similar performance last year. Improvement largely depends on economic activity worldwide, particularly the U.K. The directors expect to recommend total dividends of net per share for the year, ending December 31, 1978. This is expected to be 17.42p gross and equity base. U.K. capital expenditure during 1977 at £16.3m. was some 70 per cent. higher than that of 1976 and planned for 1978 is over £25m., largely for the purpose of expanding production capacity.

The board considers that the group's longer-term plans, in particular those for capital expenditure in the U.K. and overseas, require a strengthening of the equity base. U.K. capital expenditure during 1977 at £16.3m. was some 70 per cent. higher than that of 1976 and planned for 1978 is over £25m., largely for the purpose of expanding production capacity.

## Owen Owen ahead after better second half

AFTER INCURRING a larger mid-way deficit of £81,000 against £233,000, an improved performance in the second half enabled Owen Owen, departmental store operator, to finish the year to January 28, 1978, with taxable profit ahead from £220,000 to £225,000. Sales were a little better at £84,72m. compared with £83,88m.

At the interim stage, the directors said that there had been some improvement in both U.K. and Canadian sales since July and given a continuing improvement in the trading climate, the second half should produce a traditionally more satisfactory result. In the U.K., stores sales increased by 8 per cent. and profit before tax by 12.8 per cent. over the year, reflecting a strong recovery in the concluding months. The results at Plumb, Contracts, the shopping subsidiary, again showed improvement, say the directors.

The Canadian contribution in a difficult trading year was also affected by the 35 per cent. appreciation in the sterling/dollar exchange rate. Thus, a dollar sales increase of 9 per cent. and a profit decrease of 9 per cent. were turned into sterling decreases of 13 per cent. and 27 per cent. respectively.

Yearly earnings are given as 10.03p (9.98p) per 25p share and the dividend total is lifted to the maximum permitted, 2.8574p (2.889p) net, with a final of 2.2574p.

After tax of £1,227,000 (£1,176,000), extraordinary items and minorities, attributable profit dropped from £1,130,000 to £889,000.

The 51 per cent. state-owned Roan Consolidated Mines, one of Zambia's two major copper producers, has announced a cutback in the rate of development at its Luanshya division, reports Michael Holmes from Lusaka.

Poor ground conditions requiring costly support have made financing the thin orebody uneconomic. The cutback will reduce Luanshya's 10,000 labour force by 900 workers, who will be redeployed at other divisions of Roan.

After tax of £1,227,000 (£1,176,000), extraordinary items and minorities, attributable profit dropped from £1,130,000 to £889,000.

The 51 per cent. state-owned Roan Consolidated Mines, one of Zambia's two major copper producers, has announced a cutback in the rate of development at its Luanshya division, reports Michael Holmes from Lusaka.

Poor ground conditions requiring costly support have made financing the thin orebody uneconomic. The cutback will reduce Luanshya's 10,000 labour force by 900 workers, who will be redeployed at other divisions of Roan.

# 1977: a good result for us and the people we're in business for

## Increased profits

Group operating profit after tax was £14.2 million, an increase of 20 per cent over 1976. The Board has recommended the maximum permissible increase in the dividend payment to shareholders. A significant factor in achieving this result has been the strict control of expenses.

## Better bonuses for policyholders

Bonuses on U.K. policies have been increased for ordinary life policies, personal retirement policies and some group pension policies.

## Insurance operations

Premium income on pensions business was £274 million in 1977, a year in which there was little scope for improvements to pension schemes. About 70 per cent of pension schemes insured by the Society have decided to contract out of the new State scheme which began in April 1978. This is up to our best expectations and gives us confidence for the future.

New premiums for ordinary life business increased by more than 10 per cent over 1976.

A successful launch into the U.K. unit linked life assurance market was made in October 1977 and unit funds have already attracted £4 million.

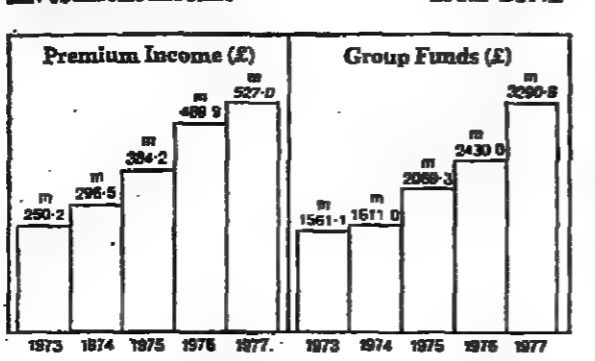
General insurance premium income increased by 13 per cent to over £123 million. The overall loss of £3.9 million on general insurance business was due principally to poor results in Western Europe, an increase in motor claims in the U.K. and an unfavourable foreign exchange adjustment. But measures are being taken to improve results in 1978.

## Looking ahead

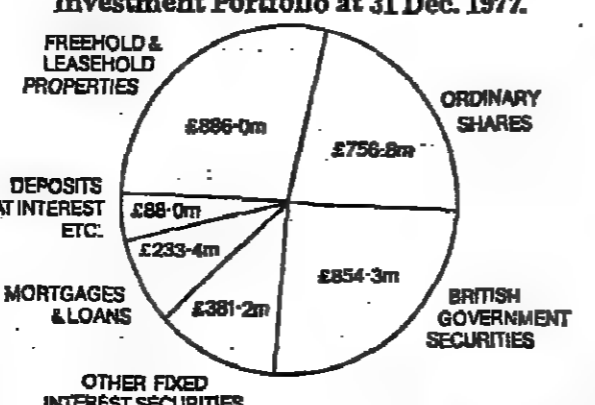
There are encouraging signs that the worst of the U.K. recession is over, though the threat of Government intervention in our affairs is still with us. Government direction of investment of the funds of insurance companies would be completely against the interests of those who entrust their savings to us. Furthermore there would be no benefit for the country.

### Highlights from the Accounts

	1976	1977
Group operating profit	£11.8	£14.2
Profits from long term business	7.7	8.2
Underwriting loss on general insurance	(3.7)	(3.9)
Shareholders' dividends	7.4	8.3
Retained profits and reserves	21.6	43.9
Investment income	190.2	257.1



### Investment Portfolio at 31 Dec. 1977.



Gordon R. Chandler, company chairman, occupational pension scheme.

Leonard Holland and family, production planners, Cashbuilder policy.

David Daykin, solicitor, Joint Life Build-up policy.

Baron Mack, retail shop owner, Traders Combined insurance.

James McGovern, Home Risks policy.

Bob Sadler, pensioner, occupational pension scheme.

Geoffrey Fuxell, architect, Personal Retirement plan.

Hedley Meek, company managing director, factory insurance.

Annual General Meeting - 17 May 1978.

# Legal & General

We cover the things you care for.

If you wish to receive a copy of the Report & Accounts, or are interested in one of our insurance policies, please tick the appropriate box, and send to:

John Neill, Legal & General Assurance Society Ltd., Temple Court, 11 Queen Victoria Street, London EC4N 4TP.

☐ Please send me a copy of the 1977 Report & Accounts. ☐ Please contact me with details of your policies.

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Business Tel. No. \_\_\_\_\_ Home Tel. No. \_\_\_\_\_

## Hestair improves by 6% to £4m.

ON TURNOVER up by 6.7 per cent to £37.05m, pre-tax profits of Hestair rose by 6.1 per cent from £4.02m to £4.26m for the year to January 31, 1978.

In September, reporting a first half increase from £1.96m to £2.13m, the directors said they were confident that the year's results would represent another substantial stride forward.

They now point out that the comparative results have been affected by the disposal of Johnsons of Hendon and Mulder in 1977, which were sold towards the end of 1977 and by the acquisition of PB Bettinson and Root Harvesters during 1977-78.

The results of companies operating during both years show sales up 22 per cent and profits up 14 per cent.

Exports increased 58 per cent during the year to £19.5m, and net tangible assets 47 per cent to £11.4m, and now represent 78p per share.

With tax on the ED19 basis of £475,000 (£702,000) full year earnings are shown at 26.5p (28.4p) per 25p share. Adjusted to reflect a standard tax charge they would be 14.3p (15.4p).

The dividend total is lifted from 5.655p to 5.815p net with a final of 4.1498p.

	1977-78	1976-77
Turnover	37.05	34.70
Profit before tax	4.26	4.02
Tax	0.53	0.53
Profit after tax	3.73	3.49
Dividends	5.66	5.66
Extraordinary	0.15	0.15
Retained	2.92	2.68

**comment**

The interim hopes at Hestair of another substantial stride forward have not been realised. The special vehicle division suffered from strikes at suppliers while demand for toys was below expectations and sales of farm equipment came to a halt in the

### BOARD MEETINGS

The following companies have notified dates of Board meetings in the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interim or final and the subcommittee below are based mainly on last year's timetable.

**Interim Dates**

Amalgamated Power Engineers Apr 27  
Anchor Chemicals May 3  
Burdur Breweries (Widened) Apr 26  
Channel Island and Int. Inv. Tel. Apr 25  
Evershed Apr 24  
Graham & National Chemicals Apr 24  
L. Industrial Investments Apr 24  
Princes of Wales Hotel Apr 23  
Sibthorp Ltd Apr 23  
Southern Constructors May 4  
Tosar Kemley and 3000000 Apr 23

**Final Dates**

Amalgamated Power Engineers Apr 27  
Anchor Chemicals May 3  
Burdur Breweries (Widened) Apr 26  
Channel Island and Int. Inv. Tel. Apr 25  
Evershed Apr 24  
Graham & National Chemicals Apr 24  
L. Industrial Investments Apr 24  
Princes of Wales Hotel Apr 23  
Sibthorp Ltd Apr 23  
Southern Constructors May 4  
Tosar Kemley and 3000000 Apr 23

last three months as prices of certain foods, especially potatoes, slumped. Best prospects for the current year are consumer products and the consistently successful employment agency; the engineering side is much less predictable. As usual, plenty of the action takes place below the line with 0.3m. of write offs for a re-organisation, a sale and a revaluation.

The yield at 108p is 8.1 per cent

## Jersey Electricity

Excluding extraordinary items, net revenue of Jersey Electricity Co. rose from £282,280 to £1,173,272 in the year to January 1, 1978.

subject to tax of £276,710 against £201,502.

The dividend total is held at 11p with a final of 7p per £1 share.

## First half advance by Jas. Crean

REPORTING PRE-TAX profits for the six months to end 1977 up from £303,000 to £651,000, Mr. D. McCullough the chairman of James Crean says that trading since December has continued to be satisfactory and full-year profits are expected to improve on last year's £1.18m.

First half earnings are shown to be ahead from 6.7p to 8.42p per 50p share and the interim dividend is raised from 2.7825p to 3.0675p. Last year's final was 3.8575p.

	1977	1976
Turnover	10,602	10,000
Profit before tax	651	303
Tax	53	53
Net profit	598	250
Dividends	38	38
Extraordinary	1	1
Retained	559	211

The results for the 1976 six months did not include any contribution from the Eltham Welding Supplies group which was acquired in May 1977.

Mr. McCullough states that each of the companies in the group has shown a sound and steady improvement during the half-year. Eltham Welding Supplies has performed satisfactorily; the electrical products division has maintained its growth, both in Ireland and the U.K.; and the Savage Smith group has improved on its profits despite vigorous competition in the soft drinks, stout and beer markets.

## Tubes moves up-market

Tube Investments is continuing its move towards higher added-value products as an important element of its response to economic and competitive conditions, Mr. B. S. Kelleit, the chairman, says in his annual statement.

He points out that many of the group's products are made from steel, which in its simpler form is a highly price-competitive commodity and in world markets is particularly sensitive to exchange rate movements.

More stable markets and better opportunities are to be found by moving towards more sophisticated and higher added-value products where design, performance, quality and delivery matter as much as price.

An example of successful development in this direction in 1977 was the range of numerically controlled turning and high production gear processing machines launched by T. J. Churchill. Substantial orders have been taken from among others, Ford, in Europe and some large U.S. customers.

Mr. Kelleit sees the selling of more of its products overseas and the exploitation of T. J. Churchill and other strengths in world markets as prime business strategies.

He says the taking by the British team of the Tour de France team prize will assist its efforts to penetrate European markets with other group products.

It has also begun construction of a \$20m. plant for the manufacture of high pressure gas cylinders.

It will equip the group to penetrate the important U.S. market

in a way experience indicates is impossible by direct export from the U.K. Also, the new plant will draw for a considerable time on U.K. factories for part-processed products, he says.

As reported, T. J. Churchill's profit increased from £49.6m to £53.2m in 1977. A current cost statement shows profit cut to £19.2m.

Additional depreciation takes £15.8m, the cost of sales adjustment £17.3m, while inflation adjusted associate profits fall from £3.1m to £3.9m, and the share from British Aluminium is reduced £7m to £4.8m. The gearing adjustment offsets £6.3m of this.

At balance date, fixed assets of the group were £131.3m. (£129.5m), while current assets were up from £271.1m to £282.2m. Of this figure, stocks account for £227.2m. (£198.3m), with the strike at Reliance last year and somewhat disappointing sales in the final weeks of 1977 responsible for the build-up. Action has been taken to bring stocks and working capital into better alignment with current sales requirements.

Short-term deposits also jumped from £9.8m to £8.5m, and bank balances and cash leapt £3m to £12.9m. At the same time rose only £5.4m, to £197.5m, with overdrafts down from £34.1m to £23.4m.

Deferred tax of £33m, has been transferred to reserves, taking these to £268.3m.

Capital expenditures last year rose £5.3m to £27.4m, and it is expected that the current momentum of capital expenditure in the U.K. will be at least maintained. Additionally, the \$20m. U.S. project is going ahead.

## Harold Perry jumps 75% to £2.77m.

GROUP SALES for 1977 of Harold Perry Motors expanded from £51.64m to £57.33m, and pre-tax profits jumped by 75 per cent from £1.88m to a record £2.77m.

In September, reporting first half profits up from £0.82m to £1.49m, the directors forecast that 1977 would produce the best results in the group's history.

Full year earnings are shown at £2.9p (35.5p) per 25p share and the dividend total is raised from 4.88p to 5.385p net with a final of 2.913p. A one-for-one scrip issue is also proposed.

Mr. J. F. Macgregor, the chairman, now says that better profit margins due to short supply and recurrent price increases lifted new vehicle profits by 70 per cent, on unit sales up by 3.5 per cent.

However, a 37 per cent profit rise from all other activities which yielded 57 per cent of the total proved that the planned growth of the group's wider profit base was continuing. With a changed policy for dealing with deferred tax yearly profits are reduced by only the amount likely to be

payable in the foreseeable future and the provision of £1,115,000 accumulated to end-1977 will be treated as retained profits.

First quarter profits in 1978 of £1.1m, compared with £0.6m last year, and reflect substantial increase in new car sales volume with good results from most other activities. The motor industry's forecasts of increased 1978 demand for cars and commercial vehicles and the continuing dominance of the entire Ford product range, further strengthened by the new Transit Van and Capri, bode well for the rest of 1978.

comment

The good times continue to roll at Perry with the 76 per cent rise in pre-tax profits surpassing outside forecasts. The shares jumped 9p to 185p yesterday. As a main Ford dealer, unit sales were restricted to 3.5 per cent, due to short supply but the resultant rise of 1.1 point to 122 per cent in profit margins coupled with recurrent price increases raised new vehicle profits by some 70 per cent. Commercial vehicle business staged a slow recovery in 1977, compared with 1976, and further up this year though Ford's recent change to the new Transit Van range has landed the group in a medium range market where Ford's share amounts to some 40 per cent. All other activities accounting for 57 per cent of

group earnings showed a 37 per cent profit rise with vehicle leasing and self drive hire reporting strong growth. Having overtaken contract hire, vehicle leasing—boosted by the 100 per cent first year allowance for leased vehicles—has emerged as one of the fastest growth areas. With first quarter profits this year already 81 per cent higher and the industry forecasting increased demands for both cars and commercial vehicles, 1978 promises to be another good year for Perry. The shares yield 4.5 per cent, and a p/e of 2.9 (on a sub-normal tax charge).

## Leslie & Godwin just ahead

AS INDICATED last week, when the offer from Frank B. Hall was announced, pre-tax profits of Leslie & Godwin (Holdings) were marginally higher at £4.15m. For 1977, compared with £4.07m, last time which was struck after abnormal items of £0.87m.

Earnings are shown at 9.419p (10.16p) per 10p share and the dividend total is lifted from 4.10915p to 4.471065p net with a final of 3.18732p.

## Coral Leisure expands £8.42m.

IN LINE with the forecast last January at the time of the offer, Coral Leisure Group for the 32 weeks to December 29, 1977, rose from £10.12m, to a record £15.3m, on turnover ahead from £161.62m to £216.73m, after a mid-term rise from £4.01m, to £7.59m.

The directors state that trading results to date, including those of Centre Hotels and Pontins are satisfactory and prospects for the full year are encouraging. However, due to the seasonal nature of trading in Pontins and to a lesser extent in Centre, they say it is probable that the first half will, in future, show significantly lower profitability than the second half as compared with the experience of previous accounting years.

While, to reflect general economic circumstances, some caution is appropriate, the group is now better placed than ever before to take advantage of trading opportunities arising across a much broader spectrum of the leisure market.

On increased capital from a rights and scrip issue earnings per 10p share are shown to be up from 11.58p to 17.04p and the dividend is effectively raised from 4p to 6p net with a final of 3.25p.

Factors contributing to the increased profit included a higher contribution from the bingo division and profits arising from the acquisition of Centre

Hotels (Cranshaw) in the second quarter of 1977. Other improvements in the bingo and greyhound racing divisions, both of which had the benefit of a first full year's trading from acquisitions made in the summer of 1976.

Profits from the bookmaking division, while higher than the previous year, were less than had been hoped for due to the increase in turnover during most of the year not covering the increase in costs, the directors state.

An analysis of turnover and trading profit shows: bingo £8.8m, (£3.05m), and £2.1m, (£0.27m); bookmaking £160.85m, (£141.25m), and £3.62m, (£3.34m); casino £28.03m, (£15.13m), and £12.9m, (£5.94m); greyhound £1.94m, (£0.38m), and £0.28m, (£0.20m); other activities £1.42m, (£0.11m), and £0.20m, (£0.05m).

Hotel turnover £21.65m, (£12.1m), and Europe £1.55m, (£0.1m), and trading profit of £3.53m, are included for nine months only. Group overheads took £0.85m, (£0.52m), and interest £1.69m, (£0.12m).

The directors say that developments during 1977 included the transfer and upgrading of a number of licensed betting offices; the acquisition of two provincial casinos and the further development of the squash and bingo divisions.

The recommended offer for the whole of the issued share capital

of Pontins made on February 6, 1978, became unconditional on March 15 and acceptance, totalling in excess of 96 per cent, have been received to date. The offer comprised an issue of Coral shares and cash. The cash element amounting to some £17.4m, was provided by the company's bankers by way of medium-term loans, the directors state.

Arrangements are in hand for the restructuring of the group's present borrowings with the intention of bringing current and medium to longer term funding requirements in line with the group's corporate plan.

In the current year the book-making division has acquired a further 30 licensed betting offices while the hotel division has authorised a 50 bedroom extension to the Portsmouth Centre Hotel.

	1977	1976
Turnover	216.73	161.62
Trading profit	15.3	10.12
Interest payable	1.69	1.69
Pre-tax profit	13.61	8.43
Tax	0.85	0.52
Net profit	12.76	7.91
Dividends	3.18	3.18
Leaving	9.58	4.73
Brought forward	11.88	11.88
Making	21.46	21.46

Adjusted on ED 19 accounting basis.

The group's balance-sheet as at December 29, 1977, shows total assets at £51.42m, (£24.27m), and net assets at £43.35m, (£20.63m). Shareholders' funds were up from £17.19m, to £36.81m.

## Clive Discount up to £2.12m.

AFTER PROVIDING for rebate and tax on a dividend to contingencies reserve, consolidated profit of Clive Discount Holdings expanded from £1.52m to £2.12m for the year to March 31, 1978.

A transfer has been made to capital reserve of £471,000 (£500,000). The final dividend is 2.748p net per 20p share, effectively raising the total from £420.75p to the maximum permitted 4.7748p net.

Should dividend restraint change before September 1978, the Board will consider a special interim payment. A capitalisation of one Preference share for every thirty ordinary shares proposed.

Shareholders' funds at the year end amounted to £7.33m, (£5.8m.), and total assets of the group to £400m, (£233m.).

**comment**

For the second year running Clive Discount, the youngest London discount house, has turned in a healthy increase in profits. At the start of the group's year March 31, 1978, it was up 61 per cent, and it took a 61 per cent before recovering to 61 per cent, helped by big capital profit on its gift books, which amounted to more than 70m. at one stage. Clive's disclosed profits are 60 per cent ahead and apart from the maxi-

mum permitted increase in the dividend the group has decided to issue cumulative preference shares as a bonus for shareholders, at the rate of one for every 30 ordinary shares held. The coupon should be fixed next month. Shareholders funds have risen by £1.4m, and the total assets of the group at the end of March were 70 per cent higher.

In the current year the prospects for stable capital profits are less certain but the combination of a larger book and reasonable running yields should cushion the loss of profits from gifts. At 75p, the shares yield 8.6 per cent.

## Peak £0.64m. by Leadenhall Sterling

A rise in second half profit from £283,000 to £557,000 meant that Leadenhall Sterling ended 1977 with a peak £0.44m pre-tax, compared with £371,000 last time. Turnover advanced from £3.25m to £5.80m.

At the interim stage, the directors said they expected second half profit to show an improvement over the figure of £293,000 (£18,000) then announced.

In the latter half, the company increased its interests in the supply of optical and scientific equipment by the acquisition of Newbold and Bulford and Charles Frank. However, their contribution to 1977 group profit was not material.

Present indications are that the group's progress will be maintained in 1978, say the directors. With the added benefit of a satisfactory contribution from the recent acquisitions.

After tax of £289,000 (£189,000), which was reduced by some £80,000 by the utilisation of tax losses brought forward, net profit for the year was £209,000 (£122,000).

Stated earnings increased from 15.5p to 18.4p per 25p share and as forecast, a final dividend of 2.4256p net makes the maximum permitted 4.0836p (3.0814p) total, costing £25,169 (£75,143).

The company is a subsidiary of British and Commonwealth Shipping Company.

### CLIFFORDS DAIRIES

Clifford's Dairies proposes to repay its outstanding 7½ per cent Debenture Stock 1986/91 at 80 per cent, together with interest, accrued to the date of repayment.

## Wilson Connolly 44% higher at £2.65m.

AFTER RISING from £0.8m. to £1.18m. in the first half, pre-tax profits of Wilson (Connolly) Holdings finished 1977 ahead from £1.55m to £2.65m, on turnover of £17.34m, compared with £12.31m. Earnings are shown at 35.5p (18.2p) per 25p share basic and 23.3p (17.1p) full diluted. If the relevant deferred tax was not payable, basic earnings would be 43.1p.

The final dividend is 1.248p net for a 2.485p (2.234p) total.

	1977	1976
Sales turnover	16,810,000	11,721,000
Profit before tax	2,650,000	1,550,000
Tax	1,740,000	1,250,000
Net profit	910,000	300,000
Dividends	15,951	15,951
Interim Div.	20,000	20,000
Final proposed	1,228,000	1,228,000
Retained	1,160,000	754,000

Mr. J. A. Leaver, the chairman, says that despite another generally depressing year for the building industry pre-tax profits rose by 44 per cent. There was a further reduction in net indebtedness and the group started the current year with ample scope and resources for further expansion.

Housing again made the major contribution in 1977. Some 33 sites were in the course of development and a new venture in Felixstowe became profitable.

Land was acquired to sustain existing areas and project activities into new locations. The land bank stood at about 3,000 plots at the year end worth about £1m, more than book value. Housing profits were 23 per cent, higher.

Property operations also had a good year with trading and capital profits up by 300 per cent.

The contracts division which began the year with some apprehension, won a number of valuable outside contracts for factories and warehouses in a very thin market.

By the year-end there were contracts in the pipeline totalling £2m, and these have since risen to 24m.

On the current year, Mr. Leaver says that in spite of mortgage restraints there seems to be a feeling that things are looking up. To forecast is, however, hazardous and the group's commitment is simply to try to grow in real terms.

# "Building on sure foundations"

Statement by the Chairman, Mr. Ronald Taylor

Twelve months ago my predecessor, Julian Faber, reported an especially favourable year, a substantial cause being the decline in sterling. 1977 saw a sustained recovery in our currency and this has reduced the flow of abnormal profits. Nevertheless, pre-tax profits show a solid increase of almost 20% over those for 1976—£19.56 millions compared with £16.32 millions.

The last three years have been a period of great change for the Company. In 1975 we opened our Ipswich Country Head Office and closed our Southend offices in consequence. In 1976 we became a quoted Company. In 1977 we moved from Leadenhall Street to Trinity Square. Much management time has been spent and substantial expenses incurred.

### Better Service

Already we feel the benefit of better service and increased productivity at Ipswich and we are starting to gain the advantages of the move to Trinity Square. In the short term, the very large expenditures due to these changes are a significant drag on profits; in the longer term, ownership of two such freeholds will be greatly to our advantage.

During these changes we have deliberately delayed further necessary improvements in our systems which are now being undertaken at heavy cost, to be spread over 1978 and 1979. Such expenditure is needed to give the best and speediest service to our Clients and the Market. We expect this to be the last of a series of planned steps to take us into the 1980s in the most competitive and efficient stance.

Our emphasis, past, present and future is on quality. First class service is expensive. Our self-imposed standards as to the quality of Markets we use for placing business have, at times, cost us apparently profitable opportunities. The Market has not been

severely tested since the mid-60s. The consequences of a major disaster, such as an earthquake or hurricane in a heavily-developed area, could affect international markets particularly at a time of economic recession. Reliance on the best security has never been more important.

### Morgan Grenfell

Our Associated Companies have produced 22 per cent of our profits at £4.33 millions. The performance of Morgan Grenfell was most gratifying and our Associated Companies in South Africa, Australia and Canada increased their contribution. However we do not expect increases from these sources in the current year.

During 1977 Associated Companies in France, Iran and Dubai were established. We opened a subsidiary in Hong Kong and a Representative Office in Saudi Arabia.

### The Future

Julian Faber became Chairman in 1972 and under his leadership the pace has been fast. In 1978 we are at the stage of consolidating our gains. Already we are planning our next advance. We have the most loyal and devoted staff, not least in Ipswich where frequent change, due to systems improvements, could be unsettling but instead seems to be viewed as a fresh challenge.

The outlook for the current year is less promising than for several years past. World trade is sluggish and this has a particular impact on Marine insurance upon which we have a significant dependence. Interest rates generally are lower and we have the substantial extra expenses on premises and Systems Development to which I have already referred. For these reasons we do not anticipate the growth in profits of the last few years but we are building on sure foundations without the distractions recently attendant upon our efforts.

	1977	1976
Profit before tax	£19.6m	£16.3m
Profit attributable to shareholders	£9.4m	£7.2m
Earnings per share	21.85p	18.83p
Dividends per Ordinary Share (1976 implied scrip issue)	9.0p	7.5p
Net tangible assets	£34.6m	£28.9m

## Willis Faber Limited

Ten Trinity Square, London EC3P 3AX

Copies of the Report and Accounts for 1977 are available from the Secretary.

# for Mowlem

International Construction Group

## Results for the Year 1977

Subject to Audit.

	1977	1976
Turnover	£'000	£'000
Group	124,417	109,151
Share of Associates	21,135	11,080
	145,552	120,231
Profit before Associates	4,448	3,729
Share of Profits (less losses) of Associates	1,677	522
Group Profit before Taxation	6,125	4,251
Taxation—Current	1,328	—
—Deferred	1,730	—
	3,058	2,264
Group Profit after Taxation	3,067	1,987
Dividends	987	424
Retained Profit	2,080	1,563
Earnings per share calculated on the weighted average shares in issue in 1977 (1976 restated for 1977 scrip issue)	20.59p	15.27p

- Turnover (including eight months of McTay) reached £145 million, of which overseas amounted to £40 million.
- Record Group profit (including share of Associates) £6,125,000, up by 44 per cent.
- Current taxation represented an effective rate of 22 per cent.
- Earnings per share up by 34.8 per cent.
- A final dividend of 5.0p per share net is proposed, making a total of 6.5p net for the year (equivalent to 9.85p gross). This represents an increase of 99 per cent on shares held before the scrip issue of 1 for 2 in June 1977 or 33.3 per cent after the scrip issue and the placing of a material number of new shares. This increase has Treasury consent.
- The dividend is covered 3.11 times.

Outlook—United Kingdom margins likely to be affected by past and present Government cutbacks and by bad weather in 1978. Overseas current margins are satisfactory, but competition from Far Eastern contractors is growing.

The Annual Report will be posted to Shareholders on 29th May, 1978  
The Annual General Meeting will be held on 14th June 1978 at the Registered Office,  
Westgate House, Ealing Road, Brentford, Middlesex TW8 0QZ.

## Mowlem Ltd

John Mowlem and Company Limited

# Shell Transport chief on alternative energy

# Esso to spend more in N. Sea

# Poor start to tough year for Ocean Transport

IN HIS FOREWORD to the 1977 annual report, Mr. C. C. Pocock, the chairman of Shell Transport and Trading Company says that the length of the gap between spending and earning in energy development emphasises the need for governments to establish satisfactory conditions for long-term investment and to adhere to them.

The ability of Shell companies to provide not simply a financial interest, but the integrated management of complex international undertakings, is a major asset in a world where governments' involvement in the energy business is leading them to seek expert partners.

He tells members that there is no question of oil running out in the foreseeable future but the point at issue is how it should be used.

Oil, he says, has special properties and advantages which make it suitable for transport, production purposes and chemical feedstocks.

For "base load" uses, such as electricity generation, "we have to look to different sources of energy, primarily coal and nuclear. If we can achieve this, there is no reason why there should not be sufficient oil for appropriate purposes well into the next century."

The chairman points out that this means that alternative sources of energy must be developed now if they are to be ready when they are required and to release oil for its prime uses.

Governments must set policy objectives and create the conditions under which industry can play its part in meeting them.

Shell has a growing interest in the other forms of energy, says Mr. Pocock, in particular, it aims to play a significant part in developing an international coal trade, having acquired substantial holdings in coal production ventures and with its trading volumes rising.

As reported on March 10 pre-

tax profits of the Royal Dutch/Shell Group finished 1977 ahead of £1,235m. to £1,340m. despite a downturn from £500m. to £285m. in the final quarter. Shell Transport's share of the profits is £595m. (£437m.).

A geographical analysis of net income—£1,340m. against £1,235m.—shows—Europe £577m. (£437m.); Far East and Australasia £477m. (£371m.); other Eastern hemisphere and Africa £138m. (£200m.); U.S. \$420m. (£280m.); other Western hemisphere £174m. (£214m.); unallocated loss £123m. (£187m. loss); and eliminations £127m. profit (£35m. loss).

Mr. Pocock says the performance of Royal Dutch/Shell Group companies stood up well taking 1977 as a whole but as the year went by the results increasingly reflected the general weakness of demand arising from the disappointing state of most of the world's economies.

The year began with higher crude oil costs imposed by oil-exporting countries but increased competition, and government price controls in some countries prevented full recovery from the market. Shell companies also felt the effect of the OPEC two-tier first half of the year, under which they were less favourably placed than some of their major competitors.

The effect on margins was particularly serious in Europe and the situation was aggravated by sluggish demand, the continuing oil supply surplus and excess refining and tanker capacity.

One of the highlights was the continued development of North Sea oil and gas reserves. Expenditure continued at a high rate and although in 1977 the volume of Shell-managed operations were comparatively small, 1978 should see a considerable increase in the flow.

Royal Dutch Shell detects signs of an improvement in its margins on oil and chemicals business in

the first quarter of 1978. Mr. Dirk De Bruyne, president of the managing board of Royal Dutch Petroleum Co. told a Press briefing. Sales prices show signs of improving from the low point reached in the final quarter of 1977.

The company nevertheless expects overcapacity of oil supplies, and refining and transport capacity to continue until the mid-1980s. It does not expect to use more than 65 per cent of the capacity of its Rotterdam refinery, which is the largest in the group, this year.

Mr. Karel Swart, managing board member with responsibility for research, said industries rather than countries have a "locomotive" function in the world economy. The oil industry has been an important stimulus to other industries but "the locomotive is losing steam," he said.

This is reflected in the decline in applications for patents in many areas of research, particularly from Japan. The tougher health and environmental demands now made mean a company often has only a few years to recoup its investment under the protection of a patent.

Meeting of Shell Transport, Shell Centre SE on May 15 at 11.30 a.m.

DR. AUSTIN Pearce, the chairman of Esso Petroleum Company, says in his annual statement that the company is already committed to major investment totalling almost £1bn. in completing the programmes in the North Sea and that plans for the continuation of existing development activity indicate that the Esso commitment to the North Sea will be in the order of £2bn. by the mid-1980s.

New projects associated with existing discoveries, which currently have no approved development plans could bring this total to over £3bn.

He says the company, as an integral part of the U.K. energy industry, faces a future in which the pressures of national and international politics will weigh still more on the oil industry, as the only major energy source not under direct Government ownership.

The outlook for the market remains difficult, he says, with continuing competitive pressure, caused by surplus capacity in all sectors. Substantial investment downstream investments are in train to adapt the production and distribution systems. Investments, he adds, which are the result of company decisions based on customer needs and on improved efficiency.

Dr. Pearce states that for Esso, "our continuing commitment to Britain on a massive scale, gives us a good chance of success," provided, he adds, that the company remains responsive to customer needs, and that Government controls do not "stifle the initiative and drive we require."

As is known pre-tax profits for 1977 rose from £88.3m. to £93.7m. and after an extraordinary credit of £33.8m. for the year, compared with a debit of £43.9m. against a loss of £12.7m. On a C.I. basis net profit is shown as £13.5m. against an historic £40.3m.

Commenting on the year's results Dr. Pearce says that surplus

capacity in all phases of the company's business and the availability of gas priced on a different basis to other fuels, helped to create the difficult market situation.

Group capital expenditure in 1977 amounted to £283.5m. including North Sea investments. Total assets at the year end were £1,330m. (£1,210m.). In addition the group had capital commitments and capital expenditures additionally authorised to the amount of £644m. The financing requirements for this ongoing and substantial capital expenditure programme exceeds funds, and has been largely covered by loans raised outside the U.K.

Though the great bulk of capital expenditure continued to be made in North Sea development, £28.1m. was spent in downstream transportation, refining and distribution investment in 1977.

Esso is a wholly-owned subsidiary of Exxon Corporation of the U.S.

## Increase at London & Holyrood

Gross income for the year to March 31, 1978 at London and Holyrood Trust increased from £1.35m. to £1.44m.

With management expenses absorbing £57,248 (£51,331), interest £49,435 (£50,239), and tax £503,650 (£479,240), revenue available to Ordinary shareholders is ahead from £790,583 to £781,655.

Earnings are shown at 3.5p (3.22p) per 25p share and the dividend total is lifted from 3.2p to 3.6p net with a final of 2.5p.

The net asset value stood at 148p (135p) per share at the year-end.

THE YEAR has not started well and 1978 will not be an easy one for Ocean Transport and Trading, Sir Lindsay Alexander, the chairman, says in his annual review. Gross congestion in the major trading port in its West African trades, has virtually brought that part to a standstill for several weeks, he adds.

The prosperity of shipping depends primarily on the growth and prosperity of world trade. However, hopes of return to relatively high growth rates continue to be deferred and the directors expect any improvement in world trade during the current year to be modest, he says.

In the company's general shipping environment, excess tonnage on a massive scale in tankers has spilled over into the bulk trades, both of which are now very unprofitable and likely to remain so for some years to come.

This has also wrecked the market for second hand ships whose value has fallen to "bargain basement" levels.

The greatest danger to the future profitability of world shipping industry is the huge excess of world shipbuilding capacity, now capable of building more than twice the number of ships the world can absorb in the next two or three years, he says.

The group is still largely a broadly based deep-sea shipping company, strong in liner trades both directly and through overseas containers (OCL) and with a relatively modest commitment to bulk trades, Sir Lindsay points out.

Even so the company no longer relies wholly on its traditional maritime interests as a source of profit, Sir Lindsay adds. Straits Steamships, for example, is now quite widely diversified in South East Asia and the holding should grow in value both as a profit earner and as a currency and inflation hedge.

In Ocean Inchcape, the group also has an enterprise of growing importance in the growth area of world-wide offshore oil exploration and production while in Ocean Cory it has a number of promising activities largely unconnected with the ups-and-downs of the shipping cycle, he points out.

As reported on April 4 group pre-tax profit for 1977 fell from a record £41m. to £40m. on turnover of £459m. (£382.7m.). The net dividend total is lifted from 7.33p to 8.54p per 25p share.

At year end bank loans and overdrafts were higher at £8.41m. (£4.69m.) and short-term loans at £27.53m. (£16.39m.) and short-term deposits stood at £32.37m. (£47.56m.) and bank balances and cash £5.22m. (£16.19m.).

Capital commitments amounted to £91.36m. (£24.15m.) of which £29,000 (£137,000) had been authorised but not contracted.

The directors underestimated the continued stagnation in world trade and its effects on some of the group's maritime businesses in 1977. Added to this, profits were also hit by the fall in the value of the U.S. dollar, the chairman says.

## Wadkin slips in second half

PRE-TAX PROFIT of Wadkin Woodworking Machinery, a wholly-owned subsidiary, slipped to £1.70m. in 1977 year compared with £1.8m. on sales up from £15.82m. to £16.2m.

At half time profit was £1.05m. against £0.7m. and directors said it was anticipated that output for the second half would be maintained at no more than the current levels and the improved efficiency to assist overall profit margins.

Reducing associated costs of £14,000 compared with £9,000 profit to 1976.

Earnings per 50p share shown as 36.50p (36.14p) before tax and 33.50p (31.47p) after. The dividend is lifted to 3.5p net with a final of 3p.

The directors state that accounting policy has changed on the 30.9 basis that comparative figures for have been restated.

## Scottish Mortgage slips

Marginally lower taxable revenue of £4,311,562 against £4,354,545, is reported by Scottish Mortgage and Trust Co. for the year to March 31, 1978.

Gross investment income was £5,34m. (£5,39m.) and net asset value at year end stood at 140.8p

	1977	1978
Sales	10,524	10,524
Home	10,524	10,524
Overseas	10,524	10,524
Operating Profit	1,700	1,700
Pre-tax Profit	1,700	1,700
Tax	1,700	1,700
Post-tax Profit	1,700	1,700
Dividend	1,700	1,700
Net Profit	1,700	1,700
Minority Interest	1,700	1,700
Final Dividend	1,700	1,700
Profit	1,700	1,700

## INVESTMENT TRUST COMPANIES

The information in the columns below is supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures, which are in pence except where otherwise stated, are unaudited.

Total Assets less current liabilities £m	Company (2)	Shares or Stock (3)	Date of Valuation (4)	Annual Dividend (5)	Net Asset Value after deducting prior charges at nominal value pence (6)	Net Asset Value after deducting prior charges at market value pence (7)	Investment Currency Premium (see note 2) (8)	Total Assets less current liabilities £m	Company (2)	Shares or Stock (3)	Date of Valuation (4)	Annual Dividend (5)	Net Asset Value after deducting prior charges at nominal value pence (6)	Net Asset Value after deducting prior charges at market value pence (7)	Investment Currency Premium (see note 2) (8)
Pence except where stated (see note d)															
148.9	VALUATION MONTHLY	Ordinary 25p	31/3/78	7.0	174.6	284.6	33.4	112.1	Henderson Administration Ltd.	Ord. & "B" Ord. 25p	31/3/78	2.1	116.0	120.6	47.9
83.0	Alliance Trust	Ordinary 25p	31/3/78	7.1	174.6	128.1	18.3	20.4	Wian Investment	Ordinary 25p	31/3/78	1.43	116.0	96.7	12.0
2.9	Anglo-American Securities Corp.	Ordinary 25p	31/3/78	7.1	174.6	160.3	17.7	6.4	Electric & General Investment	Ordinary 25p	31/3/78	1.45	117.2	117.2	13.9
10.0	British Investment Trust	Ord. & "B" Ord. 25p	31/3/78	7.1	174.6	99.8	9.3	6.6	Greenfriar Investment	Ordinary 25p	31/3/78	2.1	117.2	64.8	2.3
10.0	Capital & National Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	2.2	Lowland Investment	Ordinary 25p	31/3/78	1.74	117.2	33.9	-
10.0	Claverhouse Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	English National Investment	Ordinary 25p	31/3/78	2.06	117.2	60.8	-
10.0	Crossroads Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Do. Do.	Debt. Ord. 25p	31/3/78	-	-	-	-
13.4	Dunfermline Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Philip Hill (Management) Ltd.	Ordinary 25p	31/3/78	4.07	122.3	127.0	8.6
42.7	Edinburgh Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	City & International Trust	Ordinary 25p	31/3/78	3.93	122.3	127.0	8.6
11.5	First Scottish American Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	General & Commercial Inv. Trust	Ordinary 25p	31/3/78	3.75	122.3	127.0	8.6
67.8	Grange Trust	Ord. Stock 25p	31/3/78	7.1	174.6	99.8	9.3	-	General Cons. Investment Trust	Ordinary 25p	31/3/78	3.75	122.3	127.0	8.6
67.8	Great Northern Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Philip Hill Investment Trust	Ordinary 25p	31/3/78	3.75	122.3	127.0	8.6
7.1	Guardian Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Moorgate Investment Co. Ltd.	Ordinary 25p	31/3/78	3.065	122.3	127.0	8.6
96.3	Investment Trust Corporation	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Nineteen Twenty-Eight Inv. Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
79.0	Investors Capital Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Industrial & Comm. Finance Corp.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
21.2	Jardine Japan Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	London Atlantic	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
100.3	London & Holyrood Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	North British Canadian	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
23.7	London & Montrose Investment Trst.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Ivory & Sime Ltd.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
50.3	London & Provincial Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	British Assets Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
7.1	Mercantile Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Edinburgh American Assets Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
115.8	North Atlantic Securities Corp.	Ord. Stock 1983	31/3/78	7.1	174.6	99.8	9.3	-	Viking Resources Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
68.8	Northern American Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Keyser Ullmann Ltd.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
49.9	Save & Prosper Linked Invest. Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Thornycroft Secured Growth Trst.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
40.2	Scottish Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Thornycroft Secured Growth Trst.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
26.1	Scottish Northern Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Kleinwort Benson Ltd.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
71.4	Scottish United Investors	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	British American & General Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
20.8	Second Alliance Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Brunner Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
53.7	Shires Investment Co.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Charter Trust & Agency	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Sterling Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	English & New York Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Technology Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Family Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	United British Securities	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Jos Holdings	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	United States & General	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	London Prudential Invest. Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	United States Debenture Corporation	Ord. Stock 25p	31/3/78	7.1	174.6	99.8	9.3	-	Merchants Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1983	31/3/78	7.1	174.6	99.8	9.3	-	Lazard Bros. & Co. Ltd.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Baillie Gifford & Co.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Racine Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Scottish Mortgage & Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Romney Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Monks Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Martin Currie & Co. C.A.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Winterbottom Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Canadian & Foreign Invest. Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Barings Bros. & Co. Ltd.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	St. Andrew Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Outwich Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Scottish Eastern Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Tribune Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Scottish Ontario Investment Co.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	East of Scotland Invest. Managers	Ord. Stock 25p	31/3/78	7.1	174.6	99.8	9.3	-	Securities Trust of Scotland	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Aberdeen Trust	Ord. Stock 25p	31/3/78	7.1	174.6	99.8	9.3	-	Western Canada Investment Co.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Edinburgh Fund Managers Ltd.	Ord. & "B" Ord. 25p	31/3/78	7.1	174.6	99.8	9.3	-	Murray Johnstone Ltd.	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	American Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Caledonian Trust	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Crescent Japan Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Clydesdale Investment Trust	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Electra House Group	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Glendevon Investment Trust	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Electra Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Glenmurray Investment Trust	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Globe Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Scottish & Continental Investment	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1987/81	31/3/78	7.1	174.6	99.8	9.3	-	Scottish Western Investment	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1985/90	31/3/78	7.1	174.6	99.8	9.3	-	Second Great Northern Invest.	Ord. & "B" Ord. 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Schneider Wagg Group	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Temple Bar Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Ashdown Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1985/90	31/3/78	7.1	174.6	99.8	9.3	-	Do. Do.	Conv. Loan 1988/93	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1987/91	31/3/78	7.1	174.6	99.8	9.3	-	Australian International Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	F. & C. Group	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Bradstone Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Alliance Investment	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Do. Do.	Conv. Loan 1988/93	31/3/78	-	122.3	127.0	8.6
17.2	Cardinal Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Continental & Industrial Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Conv. Loan 1985/87	31/3/78	7.1	174.6	99.8	9.3	-	Transoceanic Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	F. & C. Eurotrust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Do. Do.	Conv. Loan 1988/93	31/3/78	-	122.3	127.0	8.6
17.2	Foreign & Colonial Invest. Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Westpool Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	General Investors & Trustees	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Do. Do.	Conv. Loan 1988/94	31/3/78	-	122.3	127.0	8.6
17.2	James Finlay Investment Mgmt. Ltd.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Stewart Fund Managers Ltd.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Provincial Cities Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Scottish American Investment Co.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Gartmore Investment Ltd.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Scottish European Investment Co.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Alfrund	Income 30p	31/3/78	7.1	174.6	99.8	9.3	-	Touche Renmant & Co.	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Do. Do.	Ordinary 30p	31/3/78	7.1	174.6	99.8	9.3	-	Atlas Electric & General Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Anglo-Scottish Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Bankers' Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	English & Scottish Investors	Ord. & "B" Ord. 25p	31/3/78	7.1	174.6	99.8	9.3	-	Cedar Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Group Investors	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	City of London Brewery	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	London & Gartmore Invest. Trust	Ordinary 30p	31/3/78	7.1	174.6	99.8	9.3	-	Continental Union Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	London & Lennox Invest. Trust	Ord. & "B" Ord. 25p	31/3/78	7.1	174.6	99.8	9.3	-	C.I.R.P. Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	London & Lombard Invest. Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Industrial & General Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	London & Strathclyde Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	International Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Meldrum Investment Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Sovere Investment Trust	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	New York & Gartmore Investment	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Trustees Corporation	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Gartmore Investment (Scotland) Ltd.	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Trust Union	Ordinary 25p	31/3/78	-	122.3	127.0	8.6
17.2	Scottish National Trust	Ordinary 25p	31/3/78	7.1	174.6	99.8	9.3	-	Williams & Glyn's Bank Ltd.	Ordinary 10p	31/3/78	-	122.3	127.0	8.6
17.2	Glasgow Stockholders Trust	Ordinary 25p	31/3/78	7.1	1										

# Associates decline fails to halt Lead Inds.

Continued improvement in the U.K. subsidiaries of Lead Industries and in the overseas companies in the conversion of their profits at the higher sterling rate of exchange ruling at the year end—resulted in the group increasing its pre-tax profits for 1977 marginally from £20.5m. to £20.6m.

At midday when announcing an advance from £10.7m. to £12.1m., the directors said that the second half was likely to be lower, particularly in the case of the associate company Tioxide, but results for the full year were expected to exceed those for 1976. This forecast was updated last month when the Tioxide figures were reported, and the directors stated that group profits for 1977 were in line with those for the previous year.

On prospects for the current year the directors report that there is little sign of any increase in world trade. Tioxide has indicated only marginal signs of recovery from the unprofitable second half for 1977 and little profit from the associate company can be expected for the first half of 1978.

For 1977 the improvement was well spread in the U.K. companies, all the main operations showing better results, while the overseas advance was despite lower profits from Italy and India. Currently the development and spread of interest in the U.K. companies should compensate for the difficult areas in which others are operating. The full year will have to bear the impact of higher costs but the net volume of sales so far is quite encouraging.

	1977	1976
Turnover	100.0	98.0
Operating profit	14.7	13.2
Share of associate profits	4.2	4.5
Finance costs	1.5	1.8
Share of associates	1.0	1.2
Interest	1.1	1.2
Profit before tax	20.6	20.5
Taxation	10.7	10.8
Group	7.0	7.0
Associates	1.0	1.0
Minority interest	0.2	0.2
Profit after tax	11.1	11.1
Dividends	1.0	1.0
Reserves	1.0	1.0

Earnings per 50p share are shown to have fallen slightly from 23.45p to 24.15p. As forecast last May the net final dividend is 4.37p for a 7.37p (5.99p) total.

No adjustment for the conversion into sterling of net current assets of overseas subsidiaries and associates has been included in profits.

The group has interests in smelting and fabrication of non-ferrous metals and the manufacture of chemical and paint products.

## General Scottish Trust

Gross revenue of General Scottish Trust advanced from £264,386 to £276,812 in the year to March 31, 1978 and, after interest

VIKING RESOURCES INTERNATIONAL N.V.  
N.A.V. at 31.378  
520.30 (D.F.43.72)

INFO Pivron, Heiding & Pivron N.V.  
Hervaght 214, Amsterdam

## EUROPEAN OPTIONS EXCHANGE

Option	Price	Close	Vol.	Un.	Vol.	Un.	Vol.	Un.
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g
B. Model	840	81	7	—	81	48	—	848g

## KITCAT & AITKEN

MEMBERS OF THE STOCK EXCHANGE  
CLEARING AGENTS

PUBLIC ORDER MEMBERS

## LONDON TRADED OPTIONS MARKET

Marketing: STX 5153  
C. J. Steele  
J. G. Doctor  
J. M. Y. Oliver

Research: A. R. H. Thomas  
H. A. Roland  
N. S. Little

Administration: P. S. Nuttall

E.O.E. & C.R.O.E.  
STX 5047  
R. A. Edwards  
D. R. Walker

Settlement: R. J. Greenshields  
T. M. Seymour

Supervision: H. F. Bloomer

9, Bishopsgate, London EC2N 3AD.

Tel. No: 01-588 6280

Telex: 888297

# Slowdown seen by Willis Faber

Meeting, 10, Trinity Square, E.C.4, May 25, 11 a.m.

Holyrood Rubber pays 33p

Pre-tax profits for 1977 of Holyrood Rubber fell from £100,722 to £84,660 but the dividend total is being hoisted from 24.33p to 33p net per 21 share with a final of 26p. Earnings are shown at 48.94p.

Harris and Crossfield has recently increased its interest to 65.43 per cent.

Turnover

Trading surplus

Investment income

Dividends

Carried forward

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Meeting, 10, Trinity Square, E.C.4, May 25, 11 a.m.

Holyrood Rubber pays 33p

Pre-tax profits for 1977 of Holyrood Rubber fell from £100,722 to £84,660 but the dividend total is being hoisted from 24.33p to 33p net per 21 share with a final of 26p. Earnings are shown at 48.94p.

Harris and Crossfield has recently increased its interest to 65.43 per cent.

Turnover

Trading surplus

Investment income

Dividends

Carried forward

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Meeting, 10, Trinity Square, E.C.4, May 25, 11 a.m.

Holyrood Rubber pays 33p

Pre-tax profits for 1977 of Holyrood Rubber fell from £100,722 to £84,660 but the dividend total is being hoisted from 24.33p to 33p net per 21 share with a final of 26p. Earnings are shown at 48.94p.

Harris and Crossfield has recently increased its interest to 65.43 per cent.

Turnover

Trading surplus

Investment income

Dividends

Carried forward

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

Profit

### Highlights from the Statement by Edwin W Phillips, MBE, Chairman of Friends' Provident Life Office

The ultimate objective of having a fully integrated real-time computer system to deal with the administration of our ordinary life and permanent health insurance business in Head Office and the Branches is now in sight. By the end of the year GLADIS, will almost certainly be the most advanced life assurance computer system in Europe.



## THE QUEEN'S AWARD FOR EXPORT ACHIEVEMENT 1978

**Bland Payne Holdings Limited**  
International Insurance and Reinsurance Brokers  
Sackville House, 143/153 Fenchurch Street  
London EC3M 6BN  
01-623 8080



\_\_\_\_\_

\_\_\_\_\_

21 April 1978.

OLD FIELDS GROUP

مكاتب العمل

# Privacy is an asset that doesn't appear on a balance sheet.

The benefit—and satisfaction—of a private company is that you run your own business your own way.

You don't want to lose that because you need to raise capital for expansion.

And raising it through Gresham Trust ensures you won't.

We've helped all sizes and types of company over the years, but as a business partner financing their growth, not as Big Brother telling them how to achieve it.

As a business partner, we naturally seek a share in the success of the companies we help, that's only fair.

But we most certainly do not seek control. Ever.

Even when we ask if we may put a director on your Board, he is only there to help and advise, not to tell you how to do your job.

Because, as businessmen, we're finally investing in your ability as a businessman.

How you run things is your private concern.

Telephone 01-606 6474. Ask for Mr. Gordon Dean.



**Gresham Trust  
Limited**

Barrington House, Gresham Street, London EC2V 7HE. Telephone 01-606 6474.

Annual General Meeting of the



## CHELSEA BUILDING SOCIETY

The 103rd Annual General Meeting of the Society was held at the Rembrandt Hotel (Blue Room), Thurloe Place, London SW7 on 19th April 1978. The Chairman, Mr. F. Y. Andrews, drew attention to the following points from the Directors' Report for the year ended 31st December 1977:-

**TOTAL ASSETS:** £189,687,253—an increase of 21.8% on the year.

**SHARES AND DEPOSITS:** Record new investments of £77,408,396—46% greater than that received in 1976.

**MORTGAGES:** Record of £35,191,122 advanced.

**RESERVES:** General Reserve increased by £2,218,809 to £7,560,530—now equivalent to 3.9% of Total Assets.

**LIQUID FUNDS:** Stood at £44,298,440—representing 23.3% of Total Assets.

**MEMBERSHIP:** Over 109,000 Mortgage and Investment Members.

**BRANCH NETWORK:** New offices were opened in the City of London, Wembley and Kensington High Street during 1977.

A copy of the Report and Accounts for 1977 will be supplied on request to Administrative Headquarters, Thirstaine Hall, Cheltenham, Gloucestershire GL53 7AL.

MEMBER OF THE BUILDING SOCIETIES ASSOCIATION AUTHORIZED FOR INVESTMENT BY TRUSTEES.

## Clive Discount Holdings Limited

Results for the year ended 31st March 1978

	1978 £'000	1977 £'000
Consolidated profit for the year after rebate and taxation and transfer to contingencies reserve	2,119	1,324
Dividends	728	641
Transfer to Capital Reserve	1,391	663
	471	500
Balance brought forward	920	183
Balance carried forward	1,337	1,154

Published profits up by 60%.  
Maximum permitted increase in final dividend. Special interim payment will be considered should dividend restraint be lifted before September 1978.  
Shareholders' funds increased by 25% to £7,228,000.  
Total assets increased to £400,000,000 (£285,000,000).  
The directors propose a bonus issue of 1 new £1 cumulative preference share for every 30 ordinary shares held.

1 Royal Exchange Avenue, London EC3V 3LU.  
Telephone: 01-263 1101. Telex: 883431, 887785.

## OPTIONS — What Option?

Yours could be a subscription to our Selective Service for regularly updated information on companies whose shares are traded on the LONDON and AMSTERDAM Option Exchanges.

For details contact:

**MCCARTHY INFORMATION LIMITED**  
Manor House, Ash Walk, Warrimster, Wilts. BA12 8PY  
Tel: 0985 218151.

## BIDS AND DEALS

# Wimpey moves into waste disposal

George Wimpey is to move into the management of industrial and hazardous wastes, through two strategic purchases announced yesterday.

In the larger of the two Wimpey has agreed to buy assets with a book value of £41m, which comprise the Beatwale and Industrial Services division of Powell Duffryn's pollution control business. The new company, called Wimpey Waste Management, will have a workforce of over 600 and will specialise in waste clearance, collection, disposal, landfill management and landscaping. It will be backed by Wimpey's own network of disposal sites, the Wimpey transport fleet and the technical laboratories.

Powell Duffryn explained yesterday that the sale would enable the group to concentrate on its own specialist areas in pollution control. PD will continue to make waste disposal vehicles and equipment and will continue its own pollution control interests, particularly overseas. In the second deal Wimpey has also acquired a 41 per cent. interest in Zargan, an East Anglian company specialising in the handling of hazardous wastes. This company will also be absorbed into Wimpey Waste Management and will increase the range of services available.

**MERCANTILE CREDIT**  
Mercantile Credit Company, a wholly-owned subsidiary of Barclays Bank, has acquired a controlling 67 per cent. interest in Letting France SA, one of the largest car leasing and contract hire operations in France, with a fleet approaching 35,000 vehicles. The remaining 33 per cent. of the shares in the company are held by Credit Lyonnais from whom the controlling interest was acquired.

**LADBROKE**  
Ladbroke is planning to expand its portfolio of hotels and motor inns.

This week it paid £14m. for the companies owning the Beehive Hotel (near Watford). The acquisition will bring the total number of hotels and motor inns owned by Ladbroke to 17.

## WOLSELEY-HUGHES EXPANSION

Wolseley-Hughes, the engineering concern, has bought the private engineering company P. J. Partridge and Sons for £1.5m. in cash.

Partridge is said to be the largest manufacturer of Disc Harrows in the U.K. In year to August 31, 1977, it made a pre-tax profit of £465,000 on sales of £3,552,000, which includes exports of £555,000.

Net assets at the year end amounted to £1,048,000.

## 'SUITS'

The three directors who make up the majority of the independent members of the Board of Scottish and Universal Investments have sent a letter to shareholders, saying they regard the Lough offer as "inadequate and unacceptable". They advise shareholders not to fill in the form of acceptance, and they promise to give detailed reasons shortly for the rejection of the offer.

These directors, Mr. H. W. Laughton, Mr. J. B. Anderson, and Mr. H. Cowan, say their view is supported by Charterhouse, Japhet, the company's financial advisers, and Grieve Grant and Co., the company's brokers.

Meanwhile the Government is awaiting advice from the director general of Fair Trading before deciding whether to refer the Lough take-over bid to the Monopolies Commission. Mr. John Fraser, Minister of State for Prices and Consumer Protection, told the Commons last night in reply to a written question from Mr. David Lambie (Lab., Central Ayrshire) that the Government meant to stop the Lough bid for SUITS.

Mr. Fraser said: "The Secretary of State for Prices and Consumer Protection (Mr. Hatterley) has power to prevent a merger only if he has first referred it to the Monopolies and Mergers Commission for investigation and the Commission have concluded that it may be expected to operate against the public interest. He will announce his decision on whether to make a reference in this case when he has received from the Director General of Fair Trading the advice on the proposed merger which the Director General is statutorily bound to give him under the Fair Trading Act 1973."

## GORDON JOHNSON STEPHENS

The offer on behalf of Simon Engineering for the capital of Gordon Johnson-Stephens Holdings has become unconditional as to acceptances.

Acceptances of the Offer have been received in respect of 5,884,283 Gordon Johnson-Stephens shares (90.00 per cent. of the capital).

Subject to the Office of Fair Trading notifying Simon that it is not intended to refer the acquisition to the Monopolies Commission and to the passing of a resolution to approve the sale by Gordon Johnson of certain subsidiaries to The West of England Trust (which latter condition Simon has reserved the right to waive), the offer will become wholly unconditional. The offer will, meanwhile, remain open until further notice.

## ICFC BACKING FOR IBMAC

Industrial and Commercial Finance Corporation is providing £250,000 as a 10-year loan to IBMAC Group which specialises in the construction and maintenance of vehicle parks, mainly in connection with retail superstore developments. The money will be used for expansion.

# Tate and Lyle diversifies

Tate and Lyle's refineries division has bought a 60 per cent. controlling interest in Realty Furniture of Stockport, as well as an agreement with the large German upholstered furniture maker, Hukla-Werke GmbH whereby Hukla-Werke also acquires an interest in Realty. Realty is a unit of a furniture company producing suites for the middle range of the market and has 25 employees. Plans have already been agreed for the acquisition of an additional factory site at St. Helens, Lancashire which is to be expanded over the next three years as part of a £500,000 investment programme.

Hukla-Werke is claimed to be the world's largest upholstered manufacturer with interests in France, Switzerland and Japan. The company has not up to the present time had any interests nor sold in the U.K.

## JOHNSON-RICHARDS — HEPPWORTH

The directors of Johnson-Richards Tiles and its advisers S. G. Warburg and Co. Ltd. yesterday repeated that they cannot recommend the terms of the Heppworth Ceramics offer. Holders are advised to take no action whatsoever on the Heppworth document.

## WHEWAY WATSON

Whevey Watson Holdings is to develop its operations in South Wales, by acquiring the goodwill and certain of the assets of Lloeridge for a consideration of £110,000 by the issue of 753,714 Ordinary shares at 14p each.

Lloeridge is based at Cardiff and specialises in the manufacture, sale and hire of lifting equipment, which complements Whevey's own areas.

The Welsh Development Agency is to acquire the shares issued at the issue price of 14p each and in subscribe for an additional 414,398 Ordinary shares at the same price. None of the shares will rank for any final dividend for year to April 1, 1978.

## RACAL/VADIC

Racal Electronics announces that it has completed the acquisition of the assets and business of the Vadec Corporation, the California-based data communications company.

## BTR SALE

Contracts have been exchanged between Armstrong Equipment and Candy, a member of the BTR Group, for the sale of the friction material business of Candy for £850,000 cash. Candy Belting will continue as a member of the BTR Group, manufacturing medium and light duty conveyor and transmission belting.

## ASSOC. TOOLING

Mr. Martin Green has joined the Board of Associated Tooling Industries having purchased a near 10 per cent. shareholding on behalf of himself and family trusts connected to Mr. Green. The shares have been acquired from Shield Trust, part of the Rothschild Group, which only acquired its stake through an internal reorganisation in Rothschild last month.

Shield's stake amounted to 233,257 shares (13.33 per cent.). Mr. Green's personal holding is 22,000 shares. A further 30,576 shares have been acquired by Mrs. P. V. Pratt, the wife of Associated's chairman, who now controls 18 per cent. The remainder has been acquired by the family trusts mentioned.

## COSALT BUYS

Cosalt of Grimby, which last year sold its Ship Chandlery division for over £12m., has just

bought P.D. Maestranzi (Felixstowe) a bonded warehouse, company adjusting and ship chandlery business in the Felixstowe, Ipswich and Harwich area.

The purchase is an extension of the ship stores services being offered by Cosalt at 18 locations around the coast of the U.K. and is intended to extend the range of services offered to the marine industry.

Other activities of Cosalt include the manufacture of the Abbey, Piper, Safari and Riviera caravans, distribution of Refrigeration and Air Conditioning units and decorated mirrors—the new Irish flag-carrying air line, Air Wales.

## H. A. LIGHT

H.A. Light, the Midlands-based pressings and wire forming group has taken over Avon Diecasting of Birmingham, which is the country's largest supplier of zinc can gear with a turnover of £1m per annum. This means that turnover of the Light Group is expected to reach around £8m. during the year increasing from £3m. in 1976.

## FALMOUTH DOCKS

British Shipbuilders now own 99.063 per cent. of the capital of Falmouth Docks and Engineering. Its offer is now unconditional and remains open.

## HAMPTON GOLD

C.C.P. North Sea Associates has purchased 724,000 shares (17.27 per cent.) in Hampton Gold Mining Areas.

## MEYER BUYS

Montague L. Meyer has exercised its option (announced in January) to acquire the entire capital of A. Dicken and Son (Teesside) and Dicken's Mandale Timber Company.

The purchase price of £24m. will be satisfied by the issue of 197,418 fully paid shares and division for over £12m., has just



**Carnation Foods Company Limited**  
are honoured to receive  
the Queens Award for  
Export achievement 1978

Manufacturers of—  
Carnation Evaporated Milk  
Sweetened Condensed Milk  
Coffee-mate  
Slender  
Build-up  
Go Cat  
Go Dog

**Carnation**  
Foods Company Ltd.

# Rothschild associates prompted Gedong Investments bid

GUERRILLA ACTION by business associates of N. M. Rothschild, the merchant bank, prompted the £93,000 bid for Gedong Investments by Consolidated Plantations. Rothschild has also been involved in harrying the Harrison and Crofield plantations empire.

and the board of London Simatra announced what it will do with the shares it is acquiring. But neither side clearly they cannot be kept in the long term. U.K. based companies are not allowed to hold their own shares.

## SHARE STAKES

Slough Estates—Under an agreement entered into in connection with the offer for Yorks and Pacific Securities in March 1963, a further 67,180 shares have been issued by Slough Estates for 18,000 shares of 1 pence value in Slough Estates Canada.

Ratners (Jewellers)—As part of a continuing series of disposals Mr. J. M. Ratner, a director, has been issued by Slough Estates for 18,000 shares of 1 pence value in Slough Estates Canada.

Hambro Trust—Mr. R. J. Hambro has purchased (as a treasury share) 18,000 Ordinary shares.

Consolidated Plantations has not

the offer is currently 141p per share although that is after a substantial appreciation of the value of the main asset of Gedong, Plantations either to sell out its stake in Gedong or buy in the whole company.

Another beneficiary of the deal is Old Court. Smaller Companies, which had held about 10 per cent. of the company for several years.

Consolidated Plantations does not do badly. It is issuing 600,000 shares to buy in 1,114,933 shares less £745,000 of current liabilities and £241,000 of deferred liabilities (which may not be payable).

A conflict such as those seen recently between McDonald's and



**N.V. KONINKLIJKE NEDERLANDSCHE PETROLEUM MAATSCHAPPIJ**

Established at The Hague, The Netherlands

(Royal Dutch)

## ANNUAL GENERAL MEETING OF SHAREHOLDERS

to be held on 18th May, 1978, at 11 a.m. in the "Nederlandsche Congressgebouw", 10 Churchillplein, The Hague, The Netherlands.

### AGENDA:

1. Annual Report for 1977.
2. Finalization of the Balance Sheet and the Profit and Loss Account together with the Notes thereto for 1977 and declaration of the dividend for 1977.
3. Appointment of two members of the Supervisory Board.
4. Appointment of a member of the Supervisory Board owing to retirement by rotation.

This agenda and the documents pertaining thereto are available for inspection and may be obtained by shareholders free of charge at the Company's office, 30 Canal van Bylandtplein, The Hague, and at the head offices of the banks mentioned below. The nominations for the appointments referred to under items 3 and 4 are available for inspection by shareholders at the Company's office.

A. Holders of share certificates to bearer may—either in person or by proxy—attend and address the meeting and exercise voting rights if their share certificates, or evidence that their certificates are held in open custody by De Nederlandse Bank N.V., are deposited against receipt not later than 12th May, 1978, at one of the banks mentioned below, viz.:

In The Netherlands:  
Algemene Bank Nederland N.V.; Amsterdam-Rotterdam Bank N.V.; Bank Mees & Hope N.V.; Banque de Paris et des Pays-Bas N.V.; Kna-Associatie N.V.; Pierson, Heidinga & Pierson N.V.; Van der Hoop, Offers & Zoon N.V.

In Austria:  
Creditanstalt-Bankverein, Vienna; Österreichische Länderbank AG, Vienna; Schoeller & Co., Vienna.

In Belgium:  
Société Générale de Banque S.A., Brussels; Crédit Lyonnais, Brussels; Kredietbank N.V., Brussels.

In France:  
Lazard Frères & Cie, Paris.

In Germany:  
Deutsche Bank AG, Frankfurt/Main; Düsseldorf, Hamburg or Munich; Berliner Disconto Bank AG, Berlin; Bank für Handel und Industrie AG, Berlin; Dresdner Bank AG, Frankfurt/Main; Düsseldorf, Hamburg, Munich or Saarbrücken; Saarlandische Kreditbank AG, Saarbrücken.

In Luxembourg:  
Banque Internationale à Luxembourg S.A., Luxembourg.

In Switzerland:  
Schweizerische Kreditanstalt, Zürich; Schweizerischer Bankverein, Basel; Schweizerische Bankgesellschaft, Zürich; Bank Leu AG, Zürich; Pictet & Cie, Geneva.

In the United Kingdom:  
N.M. Rothschild & Sons Limited, London.

In the United States of America:  
The Chase Manhattan Bank, N.A., New York.

B. Holders of registered shares may—either in person or by proxy—attend the meeting and exercise the aforementioned rights if they make known to the Company in writing not later than 11th May, 1978, their desire to do so:

with respect to shares of The Hague Registry:  
at the Company's office at The Hague;  
with respect to shares of Amsterdam Registry:  
at the office of Algemene Bank Nederland N.V., C.F.E., P.O. Box 2230, Brade;  
with respect to shares of New York Registry:  
at the office of The Chase Manhattan Bank, N.A., New York.

The Hague, 21st April, 1978.

The Supervisory Board

# ROCKWARE GROUP '77

"Another record year for the company and an improvement over 1976 of more than 24 per cent." J.H. Craigie, Chairman

- \* Seventh record year in succession for Group pre-tax profits.
- \* Progress was maintained in spite of a disappointing second half in Rockware Glass.
- \* Rockware Plastics operating profit was 150 per cent. up.
- \* BRK, the glass mould making subsidiary, made record profits, with 36 per cent. of its business in exports.
- \* The new engineering subsidiary, Rockware Kingspeed, settled down well.
- \* Rockware International made a substantial profit contribution.

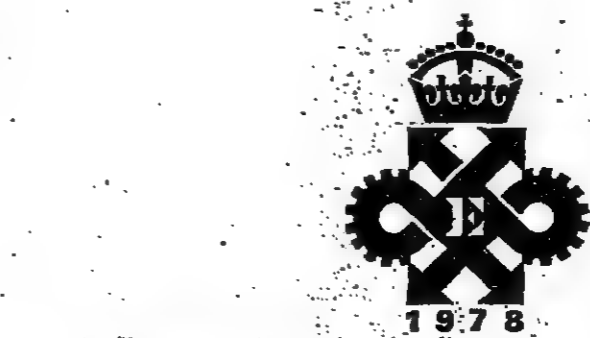
	1977 £000s	1976 £000s
SALES	89,223	72,554
PROFIT before tax	7,778	6,266
PROFIT after tax and minority interests	6,872	5,668*
ORDINARY DIVIDEND maximum permitted	8.00p	5.36p
EARNINGS PER SHARE	33.06p	31.64p*

\* 1976 figures have been re-stated to reflect the change in the accounting treatment of deferred taxation.

"We are now in a good position to take advantage of the greater consumption which should be brought about by the recent budget, and of any increased seasonal demand"

The Annual General Meeting of Rockware Group Limited will be held at 3.00 p.m. on 17th May, 1978 at Winchester House, (Half 16) 100 Old Broad Street, London EC2.

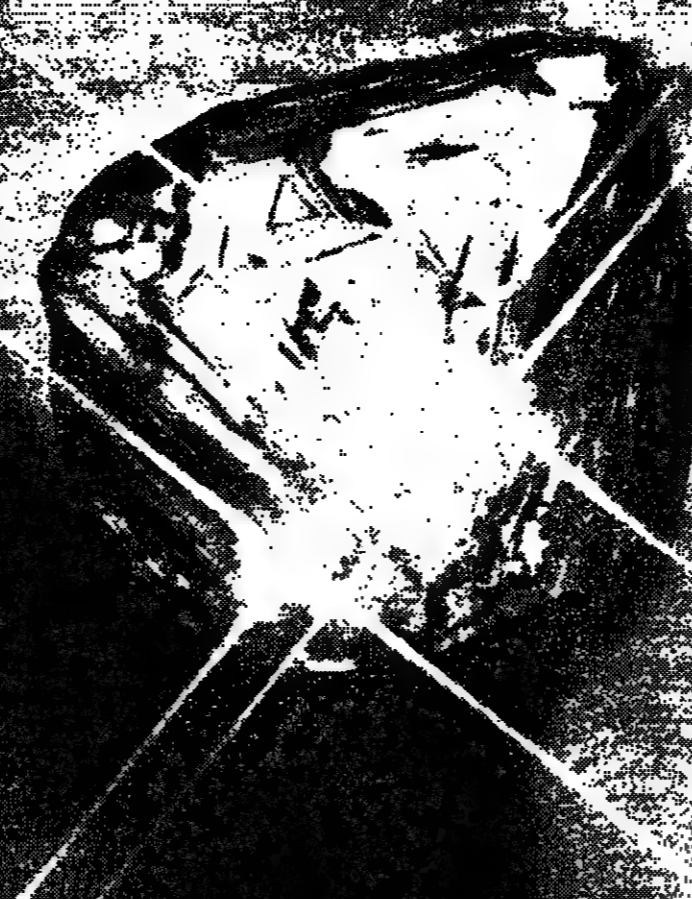
مكنا من المومل



# The first all-cargo airline to receive the Queen's Award for Export Achievement.

IAS Cargo Airlines is Britain's largest all-cargo airline. Founded just seven years ago with one aircraft, today IAS's modern jet cargo fleet carries British exports throughout the world, on a regular and on-request basis. The airline's overseas earnings have almost quadrupled in three years. IAS low-cost Skyrate tariffs, coupled with frequent and regular services, have revolutionised British air cargo. The IAS method of transport gives exporters and importers a reliable and inexpensive way, often cheaper than surface carriage. IAS saves time and money.

**IAS CARGO AIRLINES**  
Head Office: House of Commons, London EC4A 3DF  
Overseas offices in: Lagos, Kano, Nairobi, Lusaka, Kampala, Singapore, Seattle, Sydney and Rotterdam (cargo depot).



## De Beers in 1977

### Mr. H. F. Oppenheimer reports

The year 1977 was a record breaking one for De Beers in all respects. Sales by the Central Selling Organisation amounted to US\$2 073 million, an increase of 33% as compared with the previous year. The market was very strong throughout the year and by the end of 1977 the demand for all qualities of goods was at an unprecedented level, in spite of the price increases and the sale to the cutting centres of more carats than ever before. This was due, firstly, to a strong and solid demand for diamond jewellery at the retail level, and also to a measure of speculative trading which has in the first months of 1978 risen to a level which must be regarded as unhealthy and unsound. The effect of our substantial price increase last December could not yet have filtered through and been reflected in prices of diamond jewellery, and the premiums above CSO prices being paid for rough in the secondary markets, are certainly quite unrelated to basic consumer demand and well above what in our judgement could be sustained in present circumstances. This speculation reflects an increasing use of diamonds not for jewellery but as a store of value and it is reinforced by fears about the instability of currencies, and a widespread belief among our customers that the very existence of such premiums must induce the CSO to make further substantial increases in its basic selling prices without proper regard to the state of demand by the ultimate consumers of diamonds.

Stocks in the cutting centres are in consequence unduly high and to a large extent they are being

financed by credit, some of it based on the premium prices ruling. The dangers of such a situation should there be any downturn in the market need no emphasis. It is the established policy of the CSO to maintain its selling prices at a level which it believes can be maintained on a long-term basis. We will not, therefore, make further increases in our basic selling prices unless and until we are satisfied that such increases are justified in relation to the retail demand for diamonds. On the other hand, in fairness to the producers for whom it acts, the CSO cannot allow such speculative dealing to go on without taking steps to enable the producers to benefit from the premiums that are being paid. Accordingly surcharges at rates judged appropriate at the time of sale will be charged by the CSO until such time as a reasonable relationship has been restored between the market price of rough diamonds and the prices of polished diamonds at the retail level.

Sales of industrial diamonds were also at a record level in 1977 both in respect of natural and synthetic goods. Our research organisation continues to develop new specialised products with great success and the outlook for the current year remains favourable.

The Group's net attributable profits at R623 million were more than double the 1976 figure of R308 million which was a record at the time. Dividends on the deferred shares were increased by 50% from 35 cents to 52.5 cents per share. Allowing for minority interests, the net investments, loan levy and net current assets at 31st December attributable

to De Beers amounted to R1 262 million, or 351 cents per deferred share compared with 228 cents the previous year.

Total diamond production by the Group rose to 11.8 million carats as compared with 10.5 million carats in 1976, an increase of 12%.

Far-reaching capital programmes are in progress and others have been initiated to bring about a substantial increase in productive capacity. Most important of all, potentially, is the new mine discovered by De Beers at Jwaneng in Botswana. It will take about four years to bring the mine to production.

After completion of a comprehensive job evaluation an integrated wage scale has been introduced for employees of all races on the Group's mines in South Africa and Namibia. All local black employees, numbering more than 1700, of the Kimberley Division were admitted during the year to membership of the De Beers Pension Fund and the Company made a lump sum payment of R3.5 million to the fund.

Progress continues to be made towards the elimination of the migrant labour system in the Kimberley Division: the proportion of black workers who live locally with their families is now about 60% and is continuing to rise. Agreement has been reached with the authorities for the establishment of financially assisted home ownership schemes for black employees in Kimberley and Koffiefontein, and at CDM the first Ovambo married employees to be housed with their families arrived at Oranjemund in June. Selection and training facilities have been expanded and improved throughout the Group. All this goes a very long way towards eliminating all forms of racial discrimination within our control, and our intention is to remove such anomalies as still exist in the course of the year.

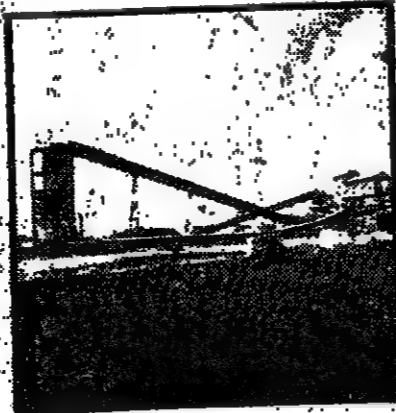
Certain changes have been made in relation to CDM which last year contributed 22% of De Beers' net profit. We have moved the head office of the CDM company to Windhoek and have appropriated in the CDM accounts an amount of R25 million for the purpose, if this proves economically possible, of diversifying our activities in Namibia outside the diamond industry.

### Output increases as new sources are found and developed



**Exploration**

Following successful discoveries of new diamond deposits in Botswana the search continues.



**Development**

Development of new mines and expansion programmes will substantially increase group diamond production within the next two years.



**Opening**

Prime Minister, Chief Leabua Jonathan, who opened the Letseng Mine in Lesotho, November 1977, with Mr. Harry Oppenheimer.

## De Beers Consolidated Mines Limited

(Incorporated in the Republic of South Africa)

For the full Report & Accounts for 1977 including the Chairman's Statement, please send this coupon to:

The London Secretaries, Rooms 1,  
De Beers Consolidated Mines Ltd.,  
40 Holborn Viaduct, London EC1P 1AJ.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

go airline  
een's Award  
event.

## INTERNATIONAL FINANCIAL AND COMPANY NEWS

## NORTH AMERICAN NEWS

## Profit well ahead at Alcan and Alcoa

By David Lascelles

NEW YORK, April 20.

NORTH America's two largest aluminium producers, Alcan and Alcoa, today reported increased earnings for the first quarter and spoke optimistically of prospects for the next three months.

Aluminium Company of America gave net earnings of \$53.9m. against \$48.9m. in the same period last year with revenues totalling \$938.2m. (\$844.2m.). Earnings were equivalent to \$1.53 a share (\$1.40).

Although production of primary aluminium was up 29,000 tons to 380,000 tons compared with the same period last year, shipments dropped 17,000 tons to 430,000 tons. Mr. W. H. Krome, Alcan's chairman, blamed this on the severe winter and the four-month coal strike which restricted plant operations.

However, he said the company expected shipments to increase in the second quarter. Flat rolled production capacity was "hooked solid" with demand for packaging and transportation products still rising. Aluminium demand from the commercial aircraft industry was the highest in three years, he said, with orders extending into 1979.

Mr. Krome also based his optimism on the fact that customers' inventories were unusually low for the current level of industrial activity. Alcan's aluminium shipments reached 394,300 tons in the quarter compared with 378,000 tons a year earlier and 389,500 tons in the last quarter of 1977.

The company said sales in the first quarter were "solidly in line" with production levels.

Sales prospects for the next quarter are "strong" the company added, though it gave no indication of its earnings expectations.

## A and P earnings fall despite \$7.3bn sales peak

By JOHN WYLES

NEW YORK, April 20.

THE RECOVERY programme of the Great Atlantic and Pacific Tea Company (A and P), one of the world's largest grocery chains, faltered badly last year when net profits tumbled by 80 per cent. on record total sales of \$7.3bn.

Founded by the Huntington Hartford family, A and P has been struggling to regain a profitable footing since it suffered a \$157.1m. loss in 1974. The company went outside for a new chairman and recruited Mr. Jonathan L. Scott from the Idaho supermarket chain, Albertson's.

Since then, the number of A

and P supermarkets has been slashed from 3,468 to 1,900 and half a dozen new hypermarket stores opened in the south west under the family centres trading name. These and other efforts have had some impact on sales, but A and P still is fighting to improve its image among consumers.

In its fiscal year ended February 25, the company reported 25 net earnings of \$4.79m. or 19 cents a share compared to \$23.78m. last year. Sales increased from \$7.235bn. to \$7.288bn.

This profit slide is not unforeseen, given the fact that A and P lost money in its third quarter after two previous quarters of depressed earnings. The company, however, will take some comfort from its fourth quarter performance of \$1.88m. net profit compared to \$1.71m. last year. Analysts think it likely that this reflected a softening of competition in some of A and P's key marketing areas. However, the latest quarterly results included extraordinary credits of \$200,000 and the full year profits of \$1.6m. or 6 cents a share tax credit.

## Ford again raises car prices

By OUR OWN CORRESPONDENT

NEW YORK, April 20.

FORD MOTOR Company, taking advantage of the leeway offered by a new wave of price increases on imported cars, has raised sticker prices on its domestic small cars for the second time in three months.

The decline of the dollar on

the international exchanges over the past four months has forced most of the major importers into the U.S. to boost their prices. Last week Toyota announced its fifth increase in 12 months and more recently Nissan USA pushed up the prices of its

Datsun cars and trucks by an identical 5.4 per cent. Toyota is the leading car importer into the U.S. and Datsun number two, but so far neither company's sales appear to have been hit by the series of price rises. Toyota's sales are up 5.3 per cent. in the first quarter and Datsun's 8.8 per cent.

Both Ford and General Motors priced their small cars extremely competitively last September in a bid to beat off the import challenge and in the process offered a range of extras rolled up in the base price. "The companies acknowledged that profit margins on these cars were extremely tight and have been glad to raise the margins through price increases as the importers have responded to currency pressures."

Since November, GM has raised the price of its Chevelle small car, whose sales are more than 80 per cent. up on last year, by up to \$203. Ford's latest price increase averages 1.9 per cent. and means that the total increase since last autumn has been around \$188 per model.

## A T &amp; T sees good year

MIAMI BEACH, April 20.

AMERICAN TELEPHONE and Telegraph chairman, Mr. John D. Debutts, told shareholders at the annual meeting today that experience so far this year suggests 1978 will be a year of stronger growth than was anticipated at the beginning of the year.

AT and T earlier reported earnings for the January-March quarter of \$1.38m., or \$1.31 a share, against \$1.06m., or \$1.06 a share in 1977, on revenues up from \$8.74bn. to \$9.88bn.

Mr. Debutts said the increases came despite a statement in the annual report that it would be unrealistic to expect the same

degree of acceleration in demand experienced in 1977 to continue through 1978. But he was still cautious about earnings growth rates in 1978—last year's figure was 15 per cent.

Mr. Debutts said 1978 capital spending would be about \$600m. more than the \$12.8bn. projected in the annual report. The difference is almost entirely attributable to revised estimates of growth by Bell System operating companies.

AT and T has still to learn what information the Justice Department intends to take to trial, information which he termed vital for the preparation of an adequate defence. Reuter

## Petrofina Canada growth plans

By ROBERT GIBSENS

MONTREAL, April 20.

WHILE Petrofina Canada is extending its activities in oil and gas exploration and production in Western Canada and becoming more involved in the Alberta Tar Sands planning, "we will continue intensifying our expansion programme in the petrochemical sector," the president, Mr. Pierre Nadeau, told the annual meeting.

Last year, petrochemical sales rose 50 per cent. over 1976 and "this is an encouraging indication for years to come."

The company in 1977 was the

most important producer of aromatics in Canada and it was the first Canadian company to announce a major sale of benzene to Japan.

Capital spending in 1978 will be up 10 per cent. to \$250m., half going to exploration and production mostly in Alberta. Refining and manufacturing will get \$181m. out of which \$101m. is allocated to antipollution measures. The remaining \$80m. will be spent in the marketing sector to raise efficiency in the marketing outlets.

Consumption of refined products rose by only 2 per cent. in Canada last year, and "we anticipate an even lower rate this year." This is not "far removed from a zero-growth situation."

However, Petrofina's Montreal refinery has reached 80 per cent. utilisation, though it has to go along with the very-high margins available because of severe overcapacity. However, Federal and Alberta Government policies have "given renewed hope to the industry."

## Trust companies off to good start

By JAMES SCOTT

TORONTO, April 20.

THE second and third largest Canadian trust companies have reported sharp profit increases for the first quarter of 1978.

Canada Trust Co. Mortgage Company had a profit of \$1.16m. (\$1.10m.) for the quarter, up 30 per cent. from \$882,290 a year earlier. Revenue

rose 15 per cent. to \$117.6m. from \$101.8m. The company says, however, that recent increases in the general level of interest rates will have a negative impact on its results in the second and later quarters, and subsequent upward pressure on interest rates seems probable.

At March 31, total assets were \$4.59bn., up from \$3.8bn. Meanwhile, Canada Permanent Mortgage Corporation reported a profit increase of 9 per cent. to \$3.95m. from \$3.64m., while revenue rose to \$117m. from \$89m. Assets rose to \$4.15bn. from \$3.44bn.

## Pacific Gas shows sales fall

SAN FRANCISCO, April 20.

PACIFIC GAS and Electric's first quarter earnings decline to 60 cents a share from 78 cents was due to lower sales of gas and electricity, the president Mr. John F. Bonner told the annual meeting. Net earnings for the quarter fell from \$69.2m. to \$58.8m. on sales of \$918.9m. compared with \$844.6m.

Mr. Bonner said although mild temperatures were a factor in the reduced energy consumption, customer conservation efforts were also a significant factor.

Pacific Gas' estimated requirement for new generating capacity in the next five years will be 4.4m. kilowatts, less than previously planned.

This lower requirement will reduce capital expenditures by over \$2.7bn. in the next five years.

Reuter

## Strong start at Bristol-Myers

NEW YORK, April 20.

BRISTOL-MYERS the toiletries and medicine group announced net earnings for the first quarter of 83 cents a share against 85 cents previously.

Total net earnings increased to \$40.5m. from \$38.2m. Sales of \$573.8m. compared with \$533m. Bristol-Myers, in reporting higher first quarter earnings also reported that it was agreed to settle some of the suits involving ampicillin. The settlement provides for the resolution of all claims with all retailers, wholesalers and private hospitals.

The cost of the settlement has been fully provided for by the company it said. Agencies

## Car makers' notes priced

By Our Own Correspondent

RICHMOND, April 20.

TERMS were set here tonight for the \$500m. worth of notes being offered simultaneously by the two largest U.S. car makers, General Motors and Ford.

Ford's \$150m. worth of notes due 1984 were priced at 98.7 with a coupon of 8 1/2 per cent. to yield 8.44 per cent. at maturity and its \$150m. worth of notes due 1988 were priced at 99.5 with a coupon of 8.5 per cent. to yield 8.56 per cent.

GM's \$300m. worth of ten-year subordinated notes were priced at par with a coupon of 8 1/2 per cent.

## Earnings double in first quarter at Inland Steel

By STEWART FLEMING

NEW YORK, April 20.

STRONGER demand and higher prices are lifting the profits of several major U.S. steel companies from the seriously depressed levels hit last year. Inland Steel, the fifth-largest U.S. steel producer and in recent years the most consistently profitable of the leading producers, has reported first quarter earnings of \$24.2m., more than double the \$12.0m. earned in the first quarter of 1977.

Inland's earnings per share have risen from 57 cents in the first quarter of last year to \$1.18. To some extent, the big increase in profits reflects the abnormally depressed conditions in the industry in the first quarter of last year as a result of severe weather and accompanying energy problems. But Inland's first quarter sales venues have increased by 20 per cent. to \$756.4m. and raw steel production is up 15 per cent. indicating that underlying demand is strong. In addition,

earnings are well above the third and fourth quarter levels of last year. The Inland chairman, Mr. Frederick Jaikes, underlined the strong earnings performance, saying that the company is experiencing very strong demand for steel mill products and expects capacity operating levels to prevail during the second quarter. Together with a more favourable outlook for other divisions, this led him to forecast improved earnings in the second quarter too.

Inland's figures tend to confirm the picture presented earlier in the week by the nation's fourth largest producer, Republic Steel. In the first quarter, Republic earned a profit of \$8.8m. (60 cents a share) compared with the loss of \$8.2m. incurred in the first quarter of last year. The company's steel shipments were up 20 per cent. and production up 14 per cent. The industry leaders, United

States Steel and Bethlehem Steel, the latter suffered a loss of \$445m. last year—have reported their first quarter gains. One factor in the profits recovery the industry is now experiencing will have been 5.2 per cent. price increase, coupled with the elimination of some price discounts. But industry executives still claiming that they have to see any benefit from Government's trigger mechanism to curtail steel exports, which came into effect in March. Mr. Jaikes of Inland remarked in his quarterly statement that "record imports of steel in January experienced in January. February's foreign production facing early deadlines for illegal dumping practices, devalued to gain as much as possible before trigger prices became effective."

## Marine Midland on bid benefit

BUFFALO, April 20.

THE proposed injection of capital by Hongkong and Shanghai Banking Corporation into Marine Midland Bank would allow the U.S. banking company to expand substantially. Mr. Edward W. Duffy, Marine chairman, said at the annual meeting here.

The proposed \$200m. of new capital will enable Marine Midland to support a minimum of \$3.5bn. in loans and investments. Mr. Duffy added.

"It will put a whole new dimension on the company's

ability to grow faster and far better to serve all our markets," he said. Under the proposal, Hongkong would buy a \$100m. Marine Midland note that would be convertible into more than 3.3m. shares at \$30 each. Hongkong also would buy another 3m. of shares from present stockholders at up to \$20 each.

In addition, Hongkong would buy still another 3.3m. shares for \$100m. by December 1980, giving it 51 per cent. ownership of Marine Midland.

One stockholder at yesterday's meeting complained that the per share price offered is too low. Agencies

He said that Marine Midland, on a per-share basis, has a worth, or shareholder capitalization, of almost \$35. Another said he would tender his stock "for less than \$30" each. Mr. Duffy dealt with further questions that he feared anything he might appear to be a solidification of proxies.

He said that stockholder questions would be answered at a special meeting to be called later. Further material for the meeting will be mailed "within the next few months."

## Bethlehem Steel sells oil drilling platform to China

By OUR OWN CORRESPONDENT

NEW YORK, April 20.

BETHLEHEM STEEL the second largest steel company in the U.S. and a leading oil drilling platform manufacturer, has made \$20m. to \$25m. for the rig and what it believes to be the first sale of an oil rig by a U.S. firm to the Republic of China.

Bethlehem said that the drilling platform is being constructed at its Singapore yard following

the signature of a contract with Chinese authorities on April 10. The Chinese will pay some \$20m. to \$25m. for the rig and what it believes to be the first sale of an oil rig by a U.S. firm to the Republic of China.

It is not clear, however, whether Bethlehem itself is currently negotiating to construct additional rigs.

## Profits down at Monsanto

MONSANTO announced that

quarterly net earnings fell 8 1/2 per cent. to \$4.01. Total earnings fell to \$185.7m. from \$201.9m. Sales of \$1.3bn. compared with \$1.3bn. Fully diluted per share earnings were \$1.35 against \$1.48.

Foreign currency changes penalised first quarter earnings this year by 38 cents a share compared with 19 cents a share in the year ago period, the company said.

## Fraser doubles

FRASER Companies, the New Brunswick pulp and paper concern controlled by the Noranda group, earned \$4.9m. (\$4.5m.) or \$2.10 a share in the first quarter against \$2.3m. or \$1.02 a year earlier, writes our Montreal Correspondent. Sales were \$260m. (\$255m.) against \$248m. Foreign exchange gains accounted for \$1.03 per share of earnings, against 53 cents. Demand has been strong for pulp, paper and lumber.

## Bell issue

Bell Canada, the largest telephone utility in the country is going ahead with a \$1.75m. issue of convertible Preferred shares following approval by the regulatory authority, writes our Montreal correspondent. The company will issue 7m. \$1.75 convertible redeemable voting Preferred shares with a par value of \$25 each to yield 7.54 per cent. These shares will be convertible for 12 years into Bell common on the basis of two common for five Preferred.

This advertisement appears as a matter of record only.

## Empresa Nacional del Uranio S.A.

## U.S. \$30,000,000 Medium Term Loan

managed by

Manufacturers Hanover Limited

Banque Internationale pour le Financement de l'Energie Nucléaire - BIFEN-INCB

Algemene Bank Nederland N.V.

provided by

Manufacturers Hanover Trust Company

Algemene Bank Nederland N.V.

Banque de la Société Financière Européenne

Banco Arabe Español, S.A.

Bank für Gemeinwirtschaft AG London Branch

Bank of Ireland

Banque Canadienne Nationale (Europe)

Banque Internationale à Luxembourg S.A.

Bayerische Landesbank International S.A.

Manufacturers Hanover Banque Nordique

Canadian Commercial and Industrial Bank

April, 1978

مكازم الزم



## THE QUEEN'S AWARD TO INDUSTRY

has been conferred upon  
SGB EXPORT LIMITED  
in recognition of  
outstanding export achievement.

Over a three year period,  
SGB Export Limited, a member of  
the SGB group of companies, has  
more than quadrupled its sales of  
scaffolding and formwork  
equipment to the world's  
builders and civil engineers.



SGB Export Limited, Willow Lane, Mitcham, Surrey, CR4 4TQ  
Telephone: 01-848 9400

PROVINCE  
U.S.

# FINANCIAL AND COMPANY NEWS

## EEC to probe Japan's bank controls

BY YOKO SHIBATA  
TOKYO, April 20.

The European Community will dispatch Mr. Christopher Henderson, a member of the European Commission, to Japan in early May to investigate the extent of discriminatory treatment against foreign banks by Japanese authorities.

Mr. Henderson, who is also a member of the European Community Delegation in Tokyo, will be accompanied by Mr. J. J. van der Meer, a member of the European Commission's Directorate-General for Economic and Financial Affairs.

The European Community has long been concerned about the restrictive measures which Japanese banks have taken to limit foreign banks' participation in the Japanese capital market.

According to the Ministry of Finance, most of the foreign banks feel difficulty in obtaining the necessary approvals for the expansion of their branches, and in there being complicated application forms and procedures for the opening of new branches.

Complaints by foreign banks have been strengthening along with increasing difficulties in financial activities facing them since last autumn. Foreign banks' traditional field in Japan was that of the so-called impact loans to Japanese companies which could not borrow sufficient funds for capital investment from Japanese banks in the period of high economic growth.

Foreign banks' loan activities reached a peak in September, 1977, to September, 1974, when their balance of loans jumped by 50 per cent.

However, foreign banks have been hit by stagnant loan demand resulting from the protracted recession, and also by their relatively high interest rates.

There is a movement among Japanese companies to repay impact loans ahead of the expiration date. The relatively high foreign banks' interest rates have been a factor in obtaining funds in the Euro-dollar market.

For instance, while Japanese banks raise funds through the local market.

According to the Ministry of Finance, foreign banks are appealing strongly for participation in the Japanese capital market, issues of certificates of deposits, bond issues by financial organisations and yen bond issues by foreign banks.

According to financial sources, the Ministry of Finance is trying to avoid a "Japan-U.S. or Japan-Europe banking war" and is contemplating the withdrawal of some regulations on foreign banks this year.

The Ministry of Finance held the first meeting of the Sub-committee of the Monetary System Study Council on the subject of the establishment of issue of certificates of deposit yesterday.

## Abercom co-founder resigns

BY RICHARD ROSE  
JOHANNESBURG, April 20.

THE AFFAIRS of Abercom, the South African engineering group, took a new turn today with the announcement that Mr. Lurie, co-founder of the group with Mr. Murray McLean, has resigned to be free to pursue other interests.

The element of surprise is provided by the fact that Primrose Industrial, the brick group of which Mr. Lurie was also chairman, has just taken over the diversified sugar group, Dispro, which Mr. Lurie resigned the Primrose chairmanship after confirmation of the takeover did not take up the offer of a seat on the Tongaat Board, so Mr. Lurie was generally assumed he would devote his time in the future to Abercom. Primrose itself was a subsidiary of Abercom until four years ago, when it was "spun off," the origin of

Mr. Lurie's chairmanship of both companies.

Abercom shares have been strong over the past 10 days, rising 40 cents to 190 cents before the takeover, and to 180 cents after the takeover. Local brokers say that a number of institutions which sold all or part of their Primrose shareholding before the takeover have been disappointed to find that Mr. Lurie has not taken over the company.

Mr. Peter Herbert, Abercom's new deputy chairman and managing director, said today that "no bid approach has been received." No financial news is expected from Abercom, which

## Liquidation move for VIP Insurances

By Kenneth Randall  
CANBERRA, April 20.

A PROVISIONAL liquidator today began dismissing staff of the Insurances Proprietary, a Sydney-based motor, marine and general insurer with about 40,000 current policyholders.

In the New South Wales Supreme Court yesterday an affidavit seeking the appointment of a liquidator was filed that valued the company's assets at \$1.8m. (\$US2.2m).

A firm of solicitors told the court that Mr. Makler had informed them on April 15 that he was in Tel Aviv and intended to stay in Israel indefinitely on private business.

The New South Wales government has appointed an inspector under the Companies Act to investigate the affairs of VIP Insurances and has altered inter alia about Mr. Makler's disappearance.

Earlier this week the Australian Federal Government froze the assets of the company and directed it to write no more business. This action followed the receipt of an informant's report which showed that the company could not meet statutory solvency requirements.

VIP Insurances has been an aggressive marketer of motor vehicle, marine and general insurance in New South Wales making extensive use of television advertising. Mr. Makler is well known in sporting circles in Sydney through his company's sponsorship of the South Sydney Rugby League Football Club.

The VIP case is the first default of an insurance company in Australia in five years. The company is not known to have any affiliation with major insurers and its failure is not regarded as significant for the industry as a whole.

In yesterday's court proceedings the company's accountant said he had discovered that bank-endorsed bills of exchange valued at about \$1.4m. were missing. He said he had also discovered that \$480,000. proceeds of a sale of shares of a subsidiary company which should have been paid into an interest-bearing deposit at the ANZ Bank, had in fact been deposited to the account of the company, which bought the shares and that account had been closed.

A formal hearing to examine the company's affairs further has been set down for May 23.

## Good half-year for Straits Times Press

BY H. F. LEE  
SINGAPORE, April 20.

Trading profit rose by 17 per cent. to \$252,800, while investment income was 41 per cent. higher at \$517,000.

In the case of Times Publishing Group pre-tax earnings rose by 11.5 per cent. to \$510,271m. (\$US441m.).

Pre-tax trading profit increased by 21.4 per cent. to \$58,59m. on an 18.4 per cent. rise in turnover to \$588,5m. However, investment income fell sharply from \$52.1m. previously to \$51.6m.

As forewarned earlier, both companies have decided not to raise dividend payments. Straits Times Press has declared a gross interim dividend of 10 per cent.

The same as the previous year's payments after adjusting for its recent one-for-two scrip issue.

Times Publishing is paying an interim gross dividend of 71 per cent., slightly higher than the adjusted figure of 71.4 per cent. last time due to rounding off.

Straits Times Press publishes Singapore's only English language daily newspaper while Times Publishing is engaged in magazine publishing, printing and packaging.

## Boustead rights

BOUSTEAD Company Singapore, an established Singapore trading house, has announced a rights issue of two shares for every seven shares held at \$51.25 per share. The rights issue will raise the company's existing issued capital of \$515.5m. to \$520m. The last traded price of Boustead's \$51 shares prior to the announcement was \$51.75.

The announcement follows the company's disclosure of higher profit for the year ended December, 1977. Preliminary figures show pre-tax profit up by 4.6 per cent. at \$58.3m. (\$US2.7m.) against a 18 per cent. increase in turnover to \$588.5m. (\$US441m.).

The company has declared a gross dividend of 71 per cent. and a bonus dividend of 10 per cent. which brings the total for the whole year to 131 per cent., the same as for 1976.

## American Express International Finance Corporation N.V.

U.S. \$40,000,000  
Guaranteed Floating Rate Notes Due 1982

Extendible at the Noteholder's Option to 1985

Notice is hereby given pursuant to Condition 5 of the Terms and Conditions of the above-mentioned Notes that the Rate of Interest (as therein defined) for the first interest period (as therein defined) from 20th April, 1978 to 20th October, 1978 is at the annual rate of 5 per cent. The initial Interest Payment Date (as therein defined) will be 20th October, 1978. The U.S. Dollar amount (the Coupon Amount as therein defined) to which each holder of Coupon No. 1 will be entitled on duly presenting the same for payment will be U.S. \$40.67 subject to appropriate adjustment thereto (or the making of other appropriate arrangements of whatever nature) which we may make without further notice in the event of an extension or shortening of the above-mentioned interest period.

EUROPEAN BANKING COMPANY LIMITED  
(Agent Bank)

1st April, 1978

## 15TH MAY 1978 REDEMPTION PROVINCE OF NOVA SCOTIA (CANADA) U.S. \$15,000,000 9% Bonds 1985

**DRAWING OF BONDS**

Notice is hereby given that a drawing of bonds of the above loan took place on 7th April 1978 attended by Mr. Keith Francis Croft Baker of the firm of John Veale & Sons, Notary Public, when 1,000 bonds for a total of U.S. \$15,000,000 nominal capital were drawn for redemption at par on 15th May 1978, from which date all interest thereon will cease. The nominal amount of this loan remaining outstanding after 15th May 1978 will be U.S. \$8,000,000.

The following are the numbers of the bonds drawn:

18	34	42	43	46	63	90	102	133	136	189	194	206	225	239	243	248	249	258	261
263	265	271	283	295	310	314	349	376	378	388	427	429	539	562	567	573	584	589	612
613	631	638	640	646	682	679	681	685	700	729	727	772	778	780	800	802	805	824	
861	902	964	1007	1024	1031	1044	1054	1056	1058	1060	1062	1063	1073	1079	1103	1109	1120	1124	1136
1137	1156	1168	1186	1197	1193	1181	1187	1202	1214	1228	1266	1264	1286	1274	1280	1296	1309	1347	1364
1367	1391	1384	1418	1429	1435	1438	1455	1467	1468	1505	1504	1577	1580	1581	1617	1620	1642	1643	1649
1653	1679	1688	1718	1718	1738	1737	1787	1782	1794	1811	1818	1854	1860	1917	1920	1942	1943	1953	2000
2002	2038	2087	2087	2087	2107	2107	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127
2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127	2127					



## Two directors for Liverpool Daily Post

Dr. A. Kent has been appointed a director and financial controller of LEIGH INTERESTS. Mr. C. E. Wilkinson has become managing director of Effluent Disposal, a subsidiary.

## Senior executive changes at Coalite & Chemical Products

Mr. John B. Elwell has become managing director of AUTO WRAPPERS (NORWICH) of the GEI group.

Mr. Samuel Newman, a vice president of Irving Trust Company has been elected to the

Board of the SOCIETY - FOR  
WORLDWIDE INTERBANK  
FINANCIAL TELECOMMUNICA  
TIONS, headquartered in Brussels  
an organisation of European  
Canadian and U.S. banks.

**GGC**  
**Group Gold Mining Companies**  
(All companies are incorporated in the Republic of South Africa)  
**Orange Free State**

## Reports of the directors for the quarter ended 31st March, 1978

# Free State Geduld Mines Limited

ISSUED CAPITAL: 10 440 000 shares of 50 cents each  
PLANNED PRODUCTION FOR THE YEAR ENDING SEPTEMBER 30 1975

Page 3 200 000 (Previously \$ 300,000)		Grade 12.7 grams per ton	ton
		Quarter	Quarter
		Mar. 1978	Dec. 1977
<b>SPARKLING RESULTS</b>			
tons milled		\$39 000	\$34 000
into—grit		12.48	12.07
into products—kg		10 463	10 023
average per ton milled		\$39.18	\$35.48
cost per ton milled		\$26.10	\$24.59
gross		\$33.05	\$34.89
net		\$48 250 000	\$48 800 000
gross		\$27 384 000	\$26 804 000
net		\$27 718 000	\$28 101 000
<b>DINT METALLURGICAL</b>			
<b>CHEMIE UMSJ (See Summary)</b>			
tons delivered			
gross		778 000	887 000
into—grit		0.30	0.50
into products—kg		0.68	0.98
average—per cent		0.95	0.95
Estimated share of profit (loss)			
—estimated		(\$229 000)	(\$15 000)
<b>FINANCIAL RESULTS</b>			
working profit—Gole		\$27 718 000	\$29 101 000
share of JMS net profit (loss)			
—estimated		(\$29 000)	(\$15 000)
—actual		\$68 000	712 000
—net before taxation and State's share of profit		\$8 383 000	\$29 287 000
—net after taxation and State's share of profit—estimated		10 884 000	12 588 000
—net after tax and State's share—estimated		\$17 798 000	\$18 728 000
<b>Other—participatory—metallurgical</b>			
company response by way of loans		\$365 000	\$377 000
—other		\$59 900 000	
—interest—insurance (See Note 1)			
—amount			
—per share			
—per share—estimated		\$884 000	\$1 106 000
<b>SAFETY SINKING</b>			
5 main shafts		67.9	21.8
into—drifts		58.3	91.4
into—drifts—metres			Nil
into cutting—metres			Nil
5 ventilation shafts		47.5	58.0
into—drifts—metres		106.5	58.0
into cutting—metres		Nil	Nil

**President Steyn Gold  
Mining Company Limited**

and its wholly-owned subsidiary, Video Mining Co., Ltd.

ISSUED CAPITAL: 14 566 000 shares of 50 cents each									
PLANNED PRODUCTION FOR THE YEAR ENDING SEPTEMBER 30, 1978									
Tonnes 3 630 000 (approximately 3 800 000)									
	Quarter ended		Quarter ended		Quarter ended		6 months ended		
	Mar. 1977		Apr. 1977		May 1977		Mar. 1977		
OPERATING RESULTS									
Tons milled	774 000		752 000		1 336 000				
Victory	250 000		250 000		500 000				
Gold produced—kg	5 588		5 331		10 919				
Revenue per ton milled	R225.64		R226.29		R225.96				
Cost per ton milled	R120.28		R120.28		R120.28				
Profit per ton milled	R105.36		R106.01		R105.68				
Revenue	R272 284 000		R269 532 000		R541 816 000				
Cost	R120 284 000		R119 745 000		R240 029 000				
Profit	R151 999 000		R149 787 000		R301 787 000				
JOINT METALLURGICAL									
Selling (LMS) (See Summary)									
Slime delivered	1 287 000		856 000		2 143 000				
Grass	0.54		0.61		0.58				
Vanadium—per Cent	0.09		0.09		0.09				
Sulphur—per Cent	0.91		0.85		0.88				
Ballistics share of profit (loss) in	(R905 000)		(R180 000)		(R1 085 000)				
Working share of profit (loss) in	R7 956 000		R10 090 000		R18 046 000				
Estimated	(R55 000)		(250 000)		(1 155 000)				
Profit before taxation	7 808 000		10 090 000		18 004 000				
Taxation and State's share of profit—estimated	301 000		—		301 000				
Profit after tax and State's share—estimated	R7 507 000		R10 090 000		R17 703 000				
Capital expenditure—metallurgical complex—									
—dividend financed by way of loans	R472 000		R553 000		R1 025 000				
Dividend—estimated (See note 1)	R4 253 000		R4 352 000		R8 605 000				
—subsidy	—		—		—				
Loan—re-estimated	R43 000		—		—				
—other share	—		—		—				
Net A. sub-overhead shaft system	133.0		47.4		180.4				
—overhead	883.3		55.3		938.6				
Debt to State—revised	—		376.1		—				
Debt to State—revised	—		—		—				
DEVELOPMENT									
	advances		metres		channel widths		gold		uranium
	metres		metres		metres		kg/t		cm/kg
Mar. 1977	1 616		158		16.6		74.4		1 458
Apr. 1977	1 190		109		11.9		50.1		1 149
May 1977	3 309		466		38.8		29.5		1 149
6 months ended	1 155		30		7.5		12.4		31
Quarter ended									
March 1977	0 988		828		37.5		29.41		1 203
April 1977	0 842		1 054		34.8		37.20		1 067
December 1977	—		—		—		—		—

**President Brand Gold  
Mining Company Limited**

ISSUED CAPITAL: 14 840 000 units of stock of 50 cents each

PLANNED PRODUCTION FOR THE YEAR ENDING SEPTEMBER 30, 1978			
Grade 5.8 grams per ton			
includes \$48 000 tons to be treated by Free State Sashpans on a cost plus service charge basis:			
	Quarter ended Mar. 1978	Quarter ended Dec. 1977	8 months ended Mar. 1978
<b>OPERATING RESULTS</b>			
Tons treated	786 000	761 000	1 547 000
Help—per ton	—	9.07	9.80
Gross production—kg	7 794	8 888	14 682
Revenue per ton milled	R47.15	R48.28	R46.22
Cost per ton milled	R24.07	R23.84	R24.01
Profit per ton milled	R23.08	R24.44	R22.21
Revenue	R37 645 000	R34 458 000	R71 503 000
Cost	R18 015 000	R18 237 000	R37 140 000
Profit	R19 630 000	R16 221 000	R34 363 000
<b>JOINT METALLURGICAL SCHEME (LMBD See Summary)</b>			
Units delivered	734 000	633 000	1 371 000
Grade	—	—	—
Gold—g/t	0.43	0.48	0.43
Argentine—kg/t	0.08	0.09	0.08
Sulphur—per cent	1.02	0.94	0.97
Estimated share of profit including service charges	R794 800	R1 368 000	R2 342 000
<b>FINANCIAL RESULTS</b>			
Working profit—Gold	R18 126 000	R16 237 000	R34 363 000
Working profit—Argentine	974 000	—	2 344 000
Working of JMS net—estimated	90 000	488 000	975 000
Net sundry expenditure	—	—	—
Profit before taxation and State's share of profit	18 810 000	17 120 000	38 130 000
State's share of profit—estimated	7 878 000	7 588 000	16 567 000
Profit after tax and State's share—estimated	R11 032 000	R9 532 000	R20 563 000
Capital expenditure—metallurgical complex—partially financed by way of loans—over	R3 183 000	R2 261 000	R8 414 000
Dividend—interim (See Summary)	R1 876 000	R1 128 000	R2 998 000
Dividend—amount—per unit of stock	—	—	R3 126 000
Dividend—leave—estimated	—	—	R3 881 000
Dividend—interim (See Summary)	R954 000	R653 000	R1 767 000
State Sashpans	721 000	513 000	238 000
<b>CONSOLIDATED PROFIT</b>			
Consolidated profit after taxation and State's share of profit of the company	—	—	—

**Free State Saaiplaas Gold  
Mining Company Limited**

ISSUED CAPITAL: 28 100 000 shares of R1 each  
PLANNED PRODUCTION FOR THE YEAR ENDING SEPTEMBER 30 1978

[illegible]

**Welkom Gold Mining  
Company Limited**

**Company Limited**  
ISSUED CAPITAL: 17,250,000 shares of 80 cents each

PLANNED PRODUCTION FOR THE YEAR ENDING SEPTEMBER 30 1978									
Tonnage 2 700 000		Grade 6.3 grams per ton		Quarter ended	Quarter ended	6 months ended			
				Mar. 1978	Apr. 1977	Mar. 1978			
<b>OPERATING RESULTS</b>									
Yield—oz.				537 000	540 000	1 077 000			
Gold produced—oz.				6 06	6 17	12 23			
Revenue per ton milled				N26 37	R30 08	R29 07			
Cost per ton milled				R23 28	R23 15	R22 77			
Net revenue per ton milled				R3 09	R6 93	R6 30			
Revenue				R17 774 000	R18 242 000	R32 016 000			
Cost				R12 943 000	R13 901 000	R24 462 000			
Profit				R4 831 000	R4 341 000	R7 554 000			
<b>FINANCIAL METALLURGICAL</b>									
<b>SCHEME (IMS) (See Summary)</b>									
Silver—sellings				—	—	—			
Taxes				—	—	—			
Grade				—	—	—			
Uranium—sell				—	—	—			
Estimated share of profit—net				R30 000	—	R30 000			
Working capital—Gold				R3 273 000	A4 261 000	R7 534 000			
Net revenue—IMS net profit—estimated				—	—	—			
Net sundry revenue				579 000	320 000	1 008 000			
Profit before tax and State's share of profit				R3 982 000	A4 610 000	R8 592 000			
Tax and State's share of profit—estimated				1 503 000	1 942 000	3 445 000			
Profit after tax and State's share—estimated				R2 479 000	R2 668 000	R5 147 000			
<b>Capital expenditure—metallurgical complex—partly financed by way of loans</b>									
—other				R31 808	R16 000	R47 000			
Dividend—other (See Note 1)				R440 000	—	R392 000			
—amount				—	—	R3 067 000			
Loan—other share				—	—	23 000			
Loan—Levy—estimated				R175 000	R213 000	R368 000			
<b>DEVELOPMENT</b>									
Advances		Sampled							
metres	metres	channel width cm	gold g/mt	gold g/mt	uranium kg/mt	uranium cm/kg			
<b>Shaft area</b>									
No. 1	876	264	35 1	29 54	7 71	0 63	18 36		
No. 2	860	140	14 6	4 03	6 82	0 57	8 95		
No. 3	833	140	8 6	250 11	1 937	2 11	18 58		
<b>Quarter ended March 1978</b>									
Quarter ended	2 381	344	19 3	55 66	1 039	0 80	14 79		
Quarter ended	2 435	368	12 1	62 93	1 739	0 98	17 95		
December 1977	2 435	368	12 1	62 93	1 739	0 98	17 95		
Quarter ended	4 022	902	16 4	58 32	1 073	0 87	16 04		
March 1978	4 022	902	16 4	58 32	1 073	0 87	16 04		
<b>Ref</b>									
No. 1	21	60	14 4	1 20	17 7	0 05	7 82		

**ANGLO AMERICAN CORPORATION  
OF SOUTH AFRICA, LIMITED**

**GENERAL NOTES**

1. **DIVIDENDS**  
Attention is directed to an announcement published in connection herewith relating to the declaration on Thursday, August 1978, of interim dividends for the year ending September 1978.
2. Development values represent actual results of sampling allowance having been made for adjustments necessary in estimating ore reserves.

*The Transvaal Group's results appear on another page of this paper.*

*Copies of these reports will be available on request from the offices of the Transfer Secretaries:*

**Charter Consolidated Limited, P.O. Box 102, Charter House, Park Street, Ashford, Kent, TN20 8EQ.**

**LONDON OFFICE: 40 HOLBORN VIADUCT, EC1P 1AF**

April 21 1978.

Western Holdings Limited

**Western Holdings Limited**  
ISSUED CAPITAL: 7 496 376 shares of 50 cents each

PLANNED FOR THE YEAR ENDING SEPTEMBER 30, 1978				
Fiscal Year		Quarter ended	Quarter ended	5 months ended
1978	1977	Mar. 1978	Dec. 1977	Mar. 1978
<b>OPERATING RESULTS</b>				
Turns milled	750 000	747 000	1 497 000	
Gold produced	7 719	8 115	15 834	
Revenue per-ozn milled	\$232.81	\$237.77	\$235.43	
Revenue per ozn mined	\$232.81	\$237.77	\$235.43	
Revenue	\$177 268.00	\$238 539.64	\$78 750.00	
Cost	\$174 480.00	\$176 438.00	\$356 960.00	
Profit	\$2 788.00	\$2 101.64	\$13 000.00	
<b>JOINT METALLURGICAL</b>				
Revenue JMSO (See Summary)				
Slime delivered	888 000	830 000	1 688 000	
Grade				
avg-ozn	0.42	0.45	0.44	
submer-ozn	0.39	0.48	0.41	
submer-per cent	0.91	0.91	0.91	
Revenue	(R235 000)	(R252 000)	(R488 000)	
<b>FINANCIAL RESULTS</b>				
Share of JMS net profit (loss)	(R235 000)	(R252 000)	(R488 000)	
Share of JMS net profit (loss)	(R235 000)	(R252 000)	(R488 000)	
Net syndy revenue	433 000	1 250 000	1 688 000	
Profit before taxation and State's share	20 893 000	23 195 000	44 088 000	
Taxation and State's share of profit - estimated	11 643 000	13 786 000	25 428 000	
Profit after tax and State's share - estimated	R9 250 000	R9 409 000	R18 659 000	
<b>Capital expenditure - metallurgical company - partly financed by way of loans</b>				
- equipment	291 000	R315 000	R344 000	
- dividend - interim (See note 1)	R1 517 000	R1 504 000	R2 721 000	
- share	—	—	180 000	
Loan balance estimated	R1 007 000	R1 151 000	R2 150 000	
<b>REVENUE</b>		<b>SAVED</b>		
Advance	channel	sampled		

## JOINT METALLURGICAL SCHEME

SUMMARY	Quarter ended	Quarter ended	5 months ended
---------	---------------	---------------	----------------

	Mar. 1978	Dec. 1977	Mar. 1978
Flotation plant			
lime treated—tons	4,238,000	3,489,000	7,747,000
uranium slant			
slime treated—to m	598,000	555,000	1,148,000
slime treated—kg	598,000	555,000	1,148,000
uranium oxide produced—kg	134,714	108,905	240,219
Acid plant			
acid produced—tons	83,695	58,548	122,343
Gold plant			
calcine treated—tons	54,548	40,382	95,451
gold produced—kg	235	209	444
Profit—estimated	\$4,196,000	\$1,327,000	\$3,693,000
<b>NOTE</b>			
Modifications to the flotation plants at President Stern and Free State Goldweld were completed at the end of March. During the modification period recoveries continued to be unsatisfactory. However improvements are expected in the ensuing quarter.			
Both throughput and recoveries were improved during the quarter in the slimes plants of the uranium plant resulting in increased production of uranium from Free State Salspiss slimes.			

No. 2	96	78	211.6	0.77	162	0.04	7.76
Quarter ended March 1978	187	128	183.7	0.91	166	0.04	7.76
Quarter ended December 1977	46	18	208.6	0.43	93	0.05	9.06
3 months ended March 1978	215	154	156.3	0.86	160	0.04	7.97
Quarter ended No. 1	64	24	88.3	0.36	30	0.36	33.95
No. 3	303	182	154.3	0.51	691	0.23	34.19
Quarter ended March 1978	397	298	144.4	4.50	659	0.25	32.98
Quarter ended December 1977	265	182	148.9	4.02	599	0.24	35.05
3 months ended March 1978	632	388	145.5	4.27	626	0.23	33.05
Intermediate Ref. No. 2							
Quarter ended March 1978	75	50	234.7	0.53	140	0.19	43.65
Quarter ended December 1977	61	34	255.9	0.87	222	0.23	57.93
3 months ended March 1978	136	84	235.6	0.73	170	0.21	48.48
CAPITAL EXPENDITURE							
For the year ending September 30 1978							\$3 500.00
(Internal) \$4 500.00							
For and on behalf of the Board of Directors							
\$339 000 of which \$71 000 was in respect of the metallurgical component.							
					G. C. NISSET		Director
					G. LANGTON		Director

## COMPANY NOTICES



**DENVER CITY COUNCIL BILL**  
\$1,150,000, due 19th July, 1978, on  
9th April, 1978, at a rate of 6 1/2%  
applications totalling \$5,750,000. The

NORTH SEA OIL REVIEW

BY RAY DAFTER

# Sixth Round alarm bells

MR. ANTHONY Wedgwood, the Energy Secretary, has announced that the consultative document on the sixth round of licensing conditions, to be published next month, will contain some "interesting" new features. The changes, he says, will not be as radical as in the fifth round, when the concept of majority state participation was laid down, but they should signify an extension of government policies.

The hints, made over the past few weeks, may have been designed to whet the appetites of offshore companies. In effect, they have merely sounded alarm bells in the Board rooms of the oil industry.

The tougher conditions on relinquishments, introduced in the fifth round, are expected to stay. Consequently, companies will again have to agree to hand back to the Government at least two-thirds of their licence area after seven years. (Under previously issued licences, companies are required to hand back at least half of the territory after six years). No doubt the industry will continue to argue that the conditions are particularly harsh when licences are granted for single blocks only; this could mean that operators will have to relinquish areas containing part of a proven field.

## Expertise

The proposed introduction of phased consents for oil field development programmes is another idea that is causing concern, although it is not known whether this will be introduced as part of the sixth round conditions or as a separate statute. It is known that the Energy Department has been considering granting authority for field development in stages. As now the programme would be reviewed when an offshore group wishes to begin exploiting a find. It may well be that the Government will encourage groups to look at their operating expenses. Consequently, a company that has acted as operator for a consortium during the exploration stage may not necessarily continue in that role during the production phase. The British National Oil Corporation will probably have a major say in which development operator is chosen. Companies or consortia involved in the exploitation of a new field may have to apply for government authorisation at some stage in the develop-

ment programme, for example, at the beginning when the field has reached peak production and when output is about to decline. The idea is that the Department of Energy should be satisfied that companies are exploiting finds in accordance with best reservoir practice, although the industry might argue that BNOOC's close involvement in all future development should provide sufficient safeguards.

There can be little doubt that under the sixth round

licensing restrictions, such as carried interest for BNOOC, are imposed.

The role of smaller independent companies in future rounds is also called into question. Greater restrictions would hit them hardest and it is significant that a number of these companies have expressed doubt about their involvement in the sixth round.

There is a real danger that the entrepreneurial spirit and drive offered by this large force of independents will be

years, three-quarters of all wells have been drilled by independent companies, which also account for 30 per cent of crude oil production and 25 per cent of natural gas output. It is difficult to obtain comparative figures for the U.K. partly because there is no one organization representing the 200 or so independent companies which participate in some way in North Sea activities. The U.K. Offshore Operators Association is dominated by the major companies;

lems here, for Brindley was formed to help U.K. independents build up an offshore presence, expertise and revenue. One of its lobbying points is that profits of Brindley members will not be siphoned overseas. Brindley may have to become active on the political and public relations front, however. It, too, has seen the warning signs of growing Government restrictions. "The increasing role of BNOOC can act to diminish the role of independents and this is a matter of some concern," said Mr. Roland Shaw, who is chairman of the Association, chairman and managing director of Ball and Collins (Oil and Gas) and managing director of Premier Consolidated.

He is particularly worried about the new rules for changing license partnerships. Independent groups have traditionally been closely associated with such changes, known in the industry as "farm-in" deals. Many past farm-in deals have involved independent companies which, having invested risk money during the early exploration stage, assign part of their interest to another group which then pays the assignees' share of costs for some further drilling. Now BNOOC is insisting on having the right of first refusal whenever farm-in deals are offered and only time will tell whether this new arrangement changes the commercial complexion of such arrangements.

But there are many independent companies, including a number of U.K. groups, which are not content with merely being an investor in an offshore project. These groups, like Tricentral, Burmah, Ball and Collins and Cluff Oil want to take an active part in exploration and development, using their technical staffs which in many cases have been recruited from the oil majors. Some have made no secret of the fact that they would like to become operators, indeed their ambitions for being operator on only the most promising blocks was one reason why companies like Cluff and Ball and Collins were left out of the fifth round licence allocations. (Mr. Algy Cluff, one of the most colourful North Sea entrepreneurs and managing director of Cluff Oil, has already announced that he is constructing a British consortium to bid in the sixth round. Again, Mr. Cluff will want to be an operator.) In a sense, his band—and the

hands of other independents with similar ambitions—will be strengthened if the Government adopts a policy of phased consent. Such companies could well be operators during the exploration phase (much of the work is sub-contracted anyway) on the understanding that they might have to hand over to a company with greater financial and technical muscle if and when a commercial discovery is made.

But there is another way in which independents could strengthen their own hands—by joining forces. This is an idea that has been receiving some airing within the industry in recent months. One Evening News journalist, I notice, has conceived both the shape and title of such a company: BLOTCH—a grouping of Burmah, LASMO, Oil Exploration, Tricentral, Charterhouse, Cluff Oil, CTP North Sea Associates, and Charterhall.

## Paper company

It is possible to form several different groupings to form a paper company with a market capitalisation of several hundred million pounds—a theoretical U.K. independent oil company which would rank alongside some of the U.S. companies like Ashland, Mesa Petroleum and Murphy Oil. Mr. Peter Gaffney, a senior partner of oil consultants Gaffney, Cline and Association, has spent some time looking at the possibility of creating a world-ranking independent British oil company. He has reported that the minimum initial risk capital funding to effectively launch a significant international operation was \$60m. to \$100m. By comparison, the majority of British companies that had financed exploration risks had done so with less than \$5m.

The idea of a major U.K. independent company—either newly created or formed through mergers—is attractive, although at this stage probably in the realms of wishful thinking. The individual aspirations of many of the companies that would be involved rules out the formation of a BLOTCH, since they would all want to be top dog. However, that does not diminish the contribution that independents have made and could continue to make, given reasonable Government encouragement.



Mr. Algy Cluff (left) of Cluff Oil, Mr. Roland Shaw (centre) of Ball and Collins, and Mr. Joseph Godber of Tricentral—three independents seeking a place in Sixth Round licences.

terms BNOOC will continue to play a major role in virtually all activities on the U.K. Continental Shelf. What is now worrying oil companies is that they might be expected to pay BNOOC's share of costs, at least during the risky exploration phase. Ways in which this so-called carried interest could be operated are being kept under wraps within Whitehall, but I understand that payment of BNOOC's expenses may not be compulsory. This raises an intriguing series of questions: if carried interest is voluntary, will private oil companies volunteer? And if they don't, will they be given a licence? But even more serious questions, more fundamental issues, are raised by the prospect of tougher sixth round conditions. Several oil companies, including at least two significant international concerns, with commercial interests in the North Sea, have indicated privately that they will not bother to bid in the new round if further

its membership is restricted to operators in any case. But UKOOA does have as one of its most active members Hamilton Brothers—an independent company which (as independents repeatedly point out) was the first to bring on stream a North Sea field in the U.K. sector: the Argyll Field. The Association of British Independent Exploration Companies—Brindley—is the only existing representative vehicle for the independents. Its bias towards domestic companies means that it has only 23 members. These companies, according to the latest statistics, have a stake in about 130 blocks and have contributed towards the cost of over 110 wells. They own some 4.4 per cent of proved oil reserves and 1 per cent of gas reserves.

## Encouragement

In the U.S., independents have been given more political encouragement. As a result they have drilled some 90 per cent of all exploration wells. They have also discovered three-quarters of the new fields which have accounted for almost 55 per cent of oil and gas reserves proven in recent times. Last year, 89 per cent of all new exploration drilling in the U.S. was carried out by independents. A similar position exists in Canada where, for the past five

# "Inherent strength and solid progress"

Assets £52,416,043 Reserves £2,392,000

In five years assets of Grainger Building Society have doubled, and the growth rate increased from 12.7% to 17.22%. Reserves have more than doubled and are now no less than 4.56% of total assets.



"It is your Board's intention to continue development on these lines to ensure the security of depositors' and shareholders' investments" said Mr. R. H. C. Herron, Chairman of Grainger Building Society at the 114th Annual General Meeting. "These figures demonstrate the inherent strength and solid progress of your Society."

## Grainger Building Society

Member of the Building Societies Association. Authorized for investment by Trustees. Chief Office: Hood Street, Newcastle upon Tyne NE1 6JP. Tel: 0632 26676. London Office: 51-55 Weymouth Street W1N 8LE. Tel: 01-535 6068. Branches at: Cardiff, Chester, Exeter, Grimsby, Hull, Ipswich, Manchester, Middlesbrough, Norwich, Nottingham, Oxford, Peterborough, Reading, Southampton, Swansea, Telford, Wakefield, Walsley, Wigan, Wolverhampton.

## The war that never ends

We British are a peaceful people. When a war is over, we like to consign it to the history books—and forget it. But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children—for them their war lives on, every day and all day. In many cases, of course, there is help from a pension. But there is a limit to what any Government Department can do. This is where Army Benevolence steps in. With understanding. With a sense of urgency... and with practical, financial help. To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

## The Army Benevolent Fund

for soldiers, ex-soldiers and their families in distress Dept. FT, Duke of York's HQ, London SW3 4SP

# The East Asiatic Company Limited, Copenhagen

## Annual Report 1977

The past year saw no appreciable improvement in world trade, and Western Europe in particular has to contend with widespread economic stagnation and the accompanying unpleasant effects, of which large scale unemployment presents one of the most serious problems. Regrettably it must be foreseen that these adverse conditions will persist for some considerable time, necessitating long-term corrective measures, and it is to be hoped that business and industry in Western Europe may be accorded working conditions which will enable them to cope with this demanding task. To the difficult world trade conditions facing international business must be added the upsetting and often unpredictable fluctuations in foreign exchange rates. The Company's accounts for 1977 have inevitably been affected by these unfavourable conditions, but thanks to our global operations, and notably the Group's overseas activities, a reasonable overall result has been achieved. The Group turnover increased from kr. 20,000 million in 1976 to kr. 23,100 million in 1977. Due to keener international competition and narrow profit margins this progress, however, was not reflected in earnings, although the rise in turnover was achieved with a more or less unchanged number of employees. The Group accounts show a net profit before taxation of kr. 337.6 million against kr. 484.1 million in 1976. Corporation taxes amount to kr. 173.8 million against kr. 214.8 million in 1976. The Parent Company's result for 1977 was a net profit of kr. 107 million, against kr. 109.8 million in 1976, after allocation of kr. 50 million to the Special Contingency Fund, and after an extraordinary capital contribution of kr. 13.2 million to the Danish Pension Insurance Corporation in connection with a change made in the pension scheme for Company employees. The result is arrived at after providing kr. 105.4 million for depreciation of ships, buildings etc. and kr. 52.4 million for corporation taxes. With the addition of kr. 41.9 million brought forward from last year, the amount at disposal is kr. 148.9 million. The allocation of this amount, proposed in the Profit and Loss Statement, includes a dividend of 12 per cent of the share capital of kr. 500 million, equal to a total amount of kr. 60 million. To provide capital for the continued growth of our Company the Board of Directors will recommend to the shareholders at the forthcoming Annual General Meeting that the present share capital of the Company of kr. 500 million be increased by kr. 265 million new shares in the ratio of 1:4 at a price of 105 per cent. Furthermore, bonus shares—also to the extent of kr. 125 million—will be issued to shareholders in the ratio of 1:4. Finally, the Board will recommend that employees of the Company be afforded the opportunity to subscribe new shares to the amount of kr. 15 million at a price of 105 per cent. All the new shares will qualify for full dividend for the year 1978 on a par with old shares. The new subscription is intended to take place from 20th April to 11th May 1978. Likewise, The East Asiatic Company's Holding Co. Ltd. proposes to increase its share capital from kr. 140 million to kr. 210 million through subscription of kr. 35 million shares at 105 per cent and through the issue of bonus shares to the amount of kr. 35 million. It is intended that the new subscription for that company takes place in the course of the month of June 1978.

## GROUP PROFIT AND LOSS ACCOUNT FOR 1977

	1977 (1,000 kr)	1976 (1,000 kr)
Turnover	23,119,687	20,049,629
External turnover	18,549,002	15,188,210
Internal turnover	4,570,685	4,861,419
	23,119,687	20,049,629
Result of Activities		
Turnover and result of activities derived from:	External turnover	
Shipping	1,676,146	220,705
Trade	8,990,524	398,495
Industry	6,177,778	602,622
Forest and plantation industry	658,854	120,820
Miscellaneous income	45,700	37,228
	18,549,002	1,379,870
Dividend on Investments outside the Group	21,570	17,467
Administration expenses	1,401,440	1,345,234
	410,574	386,130
Profit before Depreciation	990,866	979,104
Depreciation on fixed assets	300,519	288,025
Profit before Financing Expenses	690,347	711,079
Financing expenses	307,369	280,579
	382,978	450,500
Extraordinary expenses and income	45,358	33,627
Profit before Taxation	337,620	484,127
Corporation tax	173,800	214,761
Group Result for the Year	163,820	269,366
Minority shareholders' share in the results of subsidiary companies	63,422	109,118
The East Asiatic Company, Limited's share in the Group Result	100,398	160,248

(before allocation to the Parent Company's special contingency fund: 1977: kr. 50 million 1976: kr. 75 million)

Head Office: 2, Holbergsgade, DK-1099 Copenhagen K., Denmark



# Sharp early rise on gold auction plan Sterling weak

BY OUR WALL STREET CORRESPONDENT

CHEERED BY the U.S. Treasury's gold auction plans and the dollar's fresh improvement, Wall Street moved sharply higher in heavy early trading today before losing momentum around mid-session. The Dow Jones Industrial Average, after forging ahead 11.78 to 819.82 at 11.00 a.m., partly retraced its steps to 816.87 at 1 p.m. for a net advance of 8.83. The NYSE All Common Index was 53 cents higher at \$32.90, after reaching \$33.02, while rises

Closing prices and market reports were not available for this edition.

outnumbered losses by nearly a four-to-one ratio. Turnover expanded to 31.33m. shares, against yesterday's 1 p.m. level of 24.16m.

Analysts said the market hoped the U.S. Treasury's gold auction plans, announced last yesterday, will help cut the nation's trade deficit and further strengthen the dollar.

Among companies announcing higher earnings, Johns-Manville rose \$1 to \$51. Texas Instruments rose \$2 to \$75. Alcoa \$1 to \$44. Avon \$1 to \$50.1 and Minnesota Mining \$2 to \$49.1.

Despite reporting lower profits, Monsanto put on \$1 to \$51.1, Union Carbide \$1 to \$41.1, and Franklin Mint \$1 to \$8.1.

Eastman Kodak, topping the NYSE active, put on \$4 to \$48.1, and Dow Chemical gained \$1 to \$29.1. Amstar Brothers moved ahead \$1 to \$9.1.

IBM advanced \$2 to \$256. Burroughs \$1 to \$68. Digital Equipment \$1 to \$42.2, Du Pont \$1 to \$114.1, and General Electric \$1 to \$50.1.

Aluminum of America rose \$1 to \$44.1 on increasing earnings, while those on a planned dividend increase, gained \$1 to \$43.1.

THE AMERICAN SE Market Value Index recorded a net gain of 0.30 at 133.13 at 1 p.m., after initially touching 133.45. Volume increased to 2.67m. shares (2.59m.).

## OTHER MARKETS

PARIS—Heavy buying across the board took the market sharply higher. The CAC 40 rose 15.15 to 1,015.15. The Prime Minister Raymond Barre's policy statement, in the National Assembly on Wednesday, and especially the fact that corporate taxation will be frozen for two years and that savings invested in securities will benefit from tax

credits. An additional favourable factor was news that France's seasonally-adjusted trade in March showed a surplus of Frs.1,920m.

Trading in at least 11 issues was delayed because of the high influx of buying orders. These were Application-Gaz, Odeco, Roussel, Radiotechnique, Lefarge, Glaxo, Aquitaine, Lochtun, Ciba, Denain and Rhone-Poulenc.

Roussel was finally 14 per cent higher, Odeco 12 per cent, and Rhone-Poulenc 9 per cent stronger.

The steel sector, however, lost ground after the previous day's advance, reflecting disappointment that Prime Minister Barre did not announce help for the steel companies in his speech to Parliament.

TOKYO—Market moved further ahead in early trading, but a reaction set in later on profit-taking to leave stocks often lower on the day. The Nikkei-Dow Jones Average, after reaching a new post-war record peak of 3,559.07 in the morning, came back to 3,548.56 for a net loss of 7.57. Volume came to 350m. shares (350m.).

Electricals and Motors were particularly affected by profit-taking. Sony declined ¥30 to ¥1,790. Toyota Motor fell ¥15 to ¥1,790. Matsushita Electric ¥8 to ¥1,790. On the other hand, Precision Machinery Instrument Manufacturer and Camera were higher.

CANADA—Weak Oil, the Alliance Versicherung gained

issues offset a firmer tendency in most of the other sectors yesterday morning, leaving the Toronto Composite index 0.4 easier at 1,072.2 at noon. Oil and Gas fell 22.5 more to 1,415.3. The Dow Jones Industrial Average, however, was depressed by lower Bullion prices, retreating to 1,200.9. On the other hand, Banks rose 1.30 to 238.85, Papers 1.15 to 112.22, and Metals and Minerals 2.1 to 916.4.

Among Energy issues, Home Oil "A" fell 21 to \$41. Canadian Superior Oil 11 to \$56.1, and Pacific Petroleum 13 to \$55.1. Analysis said the impact of the poor view of TransCanada Pipeline's requests that gas suppliers cut back on production.

BRUSSELS—Mostly higher after lively trading. Non-ferrous Metals advanced. Asturienne adding 2.4 to B.Fr.885. Hoboken 55 to B.Fr.2,320 and Union Miniere 12 to B.Fr.374. In Utilities, EdF climbed 3.75 to B.Fr.2,463.

Vieille Montagne was a dull spot, falling 20 to B.Fr.1,500 on announcing a 1st 1977 dividend.

GERMANY—Share prices, weak of late, closed firmer for particularly a policy statement by Minister Otto von Guericke's press conference on the West German economy at the opening of the Hannover trade fair having a 1.45% rise.

In Motors, Mercedes advanced DM2, while Volkswagen had DM2 DM20 harder. Elsewhere, Allianz Versicherung gained

DM4, but Hapag Lloyd lost DM1.4. SWITZERLAND—Narrowly mixed following extremely quiet trading, but with a steadier underpinning due to the renewed firmness of the dollar.

AMSTERDAM—Market showed no clear trend, although Shipwrecks were predominantly lower, with Van Ommen 6 weaker at Fls.190.

Among Dutch Internationals, ANZ shed Fls.9.50 following publication of trading figures for 1977 report, recovered 1.30 to Fls.128.10.

MILAN—Stocks moved irregularly in more active trading. Sella, after a 1.5% rise, ended at 1,177.00. Sella, after a 1.5% rise, ended at 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

NEW YORK, April 20.

DM4, but Hapag Lloyd lost DM1.4. SWITZERLAND—Narrowly mixed following extremely quiet trading, but with a steadier underpinning due to the renewed firmness of the dollar.

AMSTERDAM—Market showed no clear trend, although Shipwrecks were predominantly lower, with Van Ommen 6 weaker at Fls.190.

Among Dutch Internationals, ANZ shed Fls.9.50 following publication of trading figures for 1977 report, recovered 1.30 to Fls.128.10.

MILAN—Stocks moved irregularly in more active trading. Sella, after a 1.5% rise, ended at 1,177.00. Sella, after a 1.5% rise, ended at 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.

Elsewhere in Milan, Banca Commerciale rose 0.10 to 1,177.00. Banca Commerciale rose 0.10 to 1,177.00.



FRENCH FRANC

Point from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new confidence in the dollar and in the U.S. economy.

It improved to DM2.0775 from DM2.0480 previously. The Swiss franc also lost ground to the dollar, closing at Sw.Fr.1.9735 against Sw.Fr.1.9710. Morgan Guaranty's calculations of the dollar's trade weighted average depreciation, using noon rates in New York, narrowed to 4.39 per

cent from 5.28 per cent. On Bank of England figures, the dollar index improved to 90.4 against 89.4 on Wednesday. Gold lost \$5 an ounce to \$306 at \$162.50, mainly in reaction to intended U.S. gold sales.

The day of business increased sharply and the Bank of England intervened in the market at the lower levels. Its calculation of sterling's trade weighted index fell to 61.3 at noon and 61.5 at 4 p.m. Forward sterling tended to widen reflecting the currency's underlying weakness.

Trading in the U.S. dollar was very active with a heavy volume of business being completed. The currency opened sharply higher after news that the U.S. Treasury intends to auction gold as a means of cutting the U.S. trade deficit and underpinned by signs that the Federal Reserve may be moving to tighten U.S. credit to help curb inflation. These measures tended to instill a new

## FARMING AND RAW MATERIALS

## Farmers' union launches blizzard relief fund

BY CHRISTOPHER PARKES

BRITISH FARMERS yesterday launched a national relief fund for producers who lost livestock in the blizzards and floods of last winter. Sir Henry Plumb, president of the National Farmers' Union, said the fund would be started up with a £20,000 contribution from the NFU reserve.

But he stressed this would be paid only on condition that the Ministry of Agriculture and other farming organisations like the Milk Producers' Federation, the British Meat Producers' Association and the British Poultry Council should contribute.

He expected about £500,000 from the Government. He wanted half the £1m. offered recently

for storm aid by the Common Market Commission.

Mr. John Silkin, Minister of Agriculture, promised last month that some of the EEC aid would be used to help cover stock losses, but he has yet to say how much.

Contributions to the fund from the Scottish NFU, the Milk Producers' Federation, the British Meat Producers' Association, the British Poultry Council and other farming organisations should bring the total industry contribution to about £100,000.

The £600,000 total would be shared among those farmers

worst hit by the weather. Sir Henry suggested only farmers who lost 10 per cent or more of their sheep or cattle should benefit.

Mr. Silkin announced last month that the Government would spend £1m. in the form of increased grants on repairing the damage to buildings, roads and drains caused by winter weather in Scotland, the West Country and Wales.

According to the Ministry of Agriculture, 21,000 sheep, 800 cattle and 7,000 poultry were killed in the winter storms.

## Copper price setback forecast

A FALL in copper prices in the second half of the year, possibly back to the 55-60 cents a pound, is forecast in the latest issue of the National Farmers' Union, published yesterday.

The report says the temporary improvement in the level of economic activity worldwide and some reduction in stocks, should continue to provide a base for higher copper prices in the immediate future. But the re-appearance of surplus production in the second half of the year and the decline in economic activity, particularly in the U.S., should result in prices falling back again.

It predicts that in the longer term surplus production of copper will continue through to the mid 1980s in the absence of

further major cuts in capacity utilisation.

The report claims that the continued existence of such surplus production because the industry is having to adjust to economic growth slowing down and to the world's economies becoming less metals intensive. Also to blame is the copper industry's inherent inflexibility in regulating production levels because of the high cost of permanent closure of the cost of placing mines on a care and maintenance basis and in some cases direct Government subsidies is also to blame.

The cost structure of the industry, with about 60 per cent of Western production in the 50-60 cents a pound range, makes producers go for maximum output to reduce unit costs.

Production levels are expected to be much the same this year as last year with Western output estimated at 1.7m. tonnes but rising to 1.8m. tonnes by 1980. It is calculated that about 400,000 tonnes of mine capacity is in the process of being closed, but this might take a year or more to become effective.

The 1978 consumption figure is expected to rise to 6.8m. tonnes, against 6.7m. tonnes last year, but with a decline in the second half of the year in the first six months.

The historic growth rate of copper consumption is forecast to fall from 4.5 per cent to 3 per cent a year by the mid 1980s and about 2.5 per cent afterwards.

Further major cuts in capacity utilisation.

The report claims that the continued existence of such surplus production because the industry is having to adjust to economic growth slowing down and to the world's economies becoming less metals intensive. Also to blame is the copper industry's inherent inflexibility in regulating production levels because of the high cost of permanent closure of the cost of placing mines on a care and maintenance basis and in some cases direct Government subsidies is also to blame.

The cost structure of the industry, with about 60 per cent of Western production in the 50-60 cents a pound range, makes producers go for maximum output to reduce unit costs.

## Platinum and silver hit by gold fall

BY OUR COMMODITIES STAFF

PLATINUM and silver prices fell sharply in London yesterday, following the trend in gold as a result of the U.S. decision to start gold auctions.

The free market price of platinum fell £2.75 to \$10.80 an ounce, while the London market price fell £1.50 to \$10.30 an ounce. The price of silver fell £0.15 to \$1.85 an ounce.

On the London bullion market the spot quotation for silver at 10.25p an ounce and the price of silver at 10.25p an ounce.

## Need for food aid estimated

BY RICHARD MOONEY

DEVELOPING COUNTRIES are expected to need between 75m. and 10m. tonnes of cereals in annual food aid by 1985, according to a study by the UN Food and Agriculture Organisation.

The Third World will also need 300,000 tonnes of vegetable oil and 250,000 tonnes of dairy products in food aid the FAO forecast.

The total for cereals would not be enough to cover emergency needs in the face of severe natural disasters, or to create national food reserves or fully bridge gaps, it said.

## Milk sales slump as output rises

By Our Commodities Staff

SALES OF LIQUID milk slumped again in March, after a brief recovery in February. Production was up slightly, but the fall in the consumption of drinking milk again caused a hefty diversion of milk into butter and cheese making.

The Milk Marketing Board reports a 7.5 per cent rise in sales of milk off farms in the 1977-78 dairy year just ended, a 3.4 per cent fall in liquid sales and a rise of 2.2 per cent in the amount of milk used for manufacture.

Last month sales off farms were 5.4 per cent up on a year ago, liquid sales fell 4.5 per cent and the amount used for manufacture increased 13.5 per cent.

In February liquid sales were down only 1.7 per cent on a year ago, but the rise in the amount of milk used for manufacture in the dairy year was 1.7 per cent.

The Milk Board could not explain the renewed slump, suggesting only that the early Easter holiday may have had some effect. Consumers apparently drink less milk when they are on holiday.

Daily milk consumption in Britain last year was 1m. litres lower than in 1975 and 600,000 litres less than in 1976-77.

## ANIMAL FEED INDUSTRY

## Price Commission report 'based on false figures'

BY CHRISTOPHER PARKES

THE CENTRAL findings and the report of the Price Commission's report on the animal feed industry are based on false figures, the feed compounders' association UKASTA, said yesterday.

The report alleges that prices in the industry are inflated by the influence of the Unilever subsidiary BOCM-Silcock. This company, it is claimed, earns a return on capital of 25 per cent, much higher than average.

"helped by the position of the company as price leader."

Mr. Allan Price, feed director of BOCM, said yesterday the commission had misinterpreted the evidence and misrepresented the true condition of the industry.

The figures provided to the commission by BOCM excluded any allowance for distribution costs. Figures provided by other companies had included these costs. When taken properly into account these costs reduced BOCM-Silcock's return on capital to around 16 per cent.

"This is very close to the industry average," he said.

The report is based on false figures they knew about. They were told about it. They were in possession of the facts, yet in the report and the Press statement they still refer to the 25 per cent return.

Mr. Sydney Robinson, chairman of the UKASTA feed company, said: "Another inconsistency is the reference in a number of places to the non-competitive nature of the industry."

In an appendix at the back of the paper, he pointed out, a table showed that the difference in price for standard dairy cattle feed has varied by £16 a tonne.

Responding to charges of co-ordination of price increases by the six or seven companies which control the U.K. feed market, Mr. Robinson said the industry had been under price control since 1973. The companies were all buying similar raw materials which accounted for 80 per cent of their costs.

"You are bound to get a pattern," he said.

"The report suggests that in

future the Price Commission will assess price increases against the background of their conclusions. Bearing in mind that many of these conclusions are based on misunderstandings, and on incorrect assessments of the industry, we feel that this would be a very dangerous philosophy indeed.

"The recent history of the broad industry is a stark reminder of what can happen. This would not only have serious implications so far as the competitive supply of feedstuffs to farmers was concerned, but would also have grave repercussions on the numbers employed in the manufacturing and distribution industry."

## Sharp attack in polite language

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

SINCE THE new Price Commission was set up last July it has followed its predecessor's example in one respect. It has a preference for phrasing what is intended to be sharp criticism in the politest, most restrained way.

Behind the cautious language

used in the commission's report, published yesterday, on the animal feed industry, is a fairly strong indictment of the way the industry is run.

In essence, the commission concludes that there is something distinctly fishy about the way all the big companies raise their prices at about the same time and that some pretty inefficient company practices have been able to take refuge behind the umbrella of the Unilever subsidiary BOCM, the market leader and itself, described as "a highly profitable and well managed company."

What the commission also seems to be trying to say is that compound producers have been greedy when it comes to profits and that farmers should take care that they are not taken for a ride by them.

The commission, which was asked to look at the industry by the Department of Prices last September, also takes a dim view of the system of discounts used by BOCM as a means of keeping its customers loyal.

The commission found that there was insufficient price competition in the market. This was best exemplified by the way the biggest companies all increased their prices at roughly the same time, a pattern which is usually to be being repeated this

## Coffee export ban might end soon

BY RICHARD MOONEY

CENTRAL AMERICAN "other milks" coffee producers are expected to end their export ban in the next two or three weeks. A Guatemalan Coffee Exporters' Association official said yesterday that the producers are searching for a mechanism that would set prices on the basis of supply and demand rather than market manipulation.

Rumours in London on Wednesday quoted an El Salvador coffee official as saying that the producers planned to institute an export quota system from next month. But the Guatemalan spokesman said the position was not that simple. "As

small producers we must search for a mechanism that will allow us to defend ourselves a little in the face of the big companies. Donors of price support formulae are being studied."

World coffee traders expected the export ban to be scaled down into a quota system at last week's producer meeting in Costa Rica.

The ban, which was designed to boost prices, has been in operation for about five weeks but has had little visible effect. Prices fell nearly £100 a tonne soon after it was announced and are still only slightly above the level ruling then.

used in the commission's report, published yesterday, on the animal feed industry, is a fairly strong indictment of the way the industry is run.

In essence, the commission concludes that there is something distinctly fishy about the way all the big companies raise their prices at about the same time and that some pretty inefficient company practices have been able to take refuge behind the umbrella of the Unilever subsidiary BOCM, the market leader and itself, described as "a highly profitable and well managed company."

What the commission also seems to be trying to say is that compound producers have been greedy when it comes to profits and that farmers should take care that they are not taken for a ride by them.

The commission, which was asked to look at the industry by the Department of Prices last September, also takes a dim view of the system of discounts used by BOCM as a means of keeping its customers loyal.

The commission found that there was insufficient price competition in the market. This was best exemplified by the way the biggest companies all increased their prices at roughly the same time, a pattern which is usually to be being repeated this

month, with all the big manufacturers notifying the factors of their intention to raise prices again within a day of each other.

The record, it says, pointed to a lack of competition. Throughout 1976 and 1977, six of the seven companies which account for over half of the market, co-ordinated their prices in some respect. This has been passed to the Office of Fair Trading which is the Government body responsible for ensuring that companies do not collude on prices.

The commission concludes that "this parallelism is stricter than can be justified by the proportion of common costs in the final products."

The clear price leader, it says, is BOCM which has 21 per cent of the market.

In their submissions to the commission, other companies readily admitted that they could not afford to let their prices get below BOCM's.

It could be argued that this was a sign that price competition did exist in the market but the commission seems to take the view that BOCM's prices are inadequately restrained by competition and that because they can raise their prices, it is unfair to allow inefficient companies to make higher profits than their

## COMMODITY MARKET REPORTS AND PRICES

BASE METALS			
Copper	3m. 1977-78	1977-78	1977-78
Aluminium	3m. 1977-78	1977-78	1977-78
Lead	3m. 1977-78	1977-78	1977-78
Steel	3m. 1977-78	1977-78	1977-78
Iron	3m. 1977-78	1977-78	1977-78
Gold	3m. 1977-78	1977-78	1977-78
Platinum	3m. 1977-78	1977-78	1977-78
Silver	3m. 1977-78	1977-78	1977-78
Grain	3m. 1977-78	1977-78	1977-78
Wheat	3m. 1977-78	1977-78	1977-78
Barley	3m. 1977-78	1977-78	1977-78
Oats	3m. 1977-78	1977-78	1977-78
Rice	3m. 1977-78	1977-78	1977-78
Beans	3m. 1977-78	1977-78	1977-78
Soybeans	3m. 1977-78	1977-78	1977-78
Corn	3m. 1977-78	1977-78	1977-78
Oil	3m. 1977-78	1977-78	1977-78
Crude	3m. 1977-78	1977-78	1977-78
Gas	3m. 1977-78	1977-78	1977-78
Coal	3m. 1977-78	1977-78	1977-78
Iron ore	3m. 1977-78	1977-78	1977-78
Lead	3m. 1977-78	1977-78	1977-78
Aluminium	3m. 1977-78	1977-78	1977-78
Copper	3m. 1977-78	1977-78	1977-78
Gold	3m. 1977-78	1977-78	1977-78
Platinum	3m. 1977-78	1977-78	1977-78
Silver	3m. 1977-78	1977-78	1977-78
Grain	3m. 1977-78	1977-78	1977-78
Wheat	3m. 1977-78	1977-78	1977-78
Barley	3m. 1977-78	1977-78	1977-78
Oats	3m. 1977-78	1977-78	1977-78
Rice	3m. 1977-78	1977-78	1977-78
Beans	3m. 1977-78	1977-78	1977-78
Soybeans	3m. 1977-78	1977-78	1977-78
Corn	3m. 1977-78	1977-78	1977-78
Oil	3m. 1977-78	1977-78	1977-78
Crude	3m. 1977-78	1977-78	1977-78
Gas	3m. 1977-78	1977-78	1977-78
Coal	3m. 1977-78	1977-78	1977-78
Iron ore	3m. 1977-78	1977-78	1977-78

## PRICE CHANGES

Commodity	Unit	Price
Copper	lb	10.80
Aluminium	lb	1.85
Lead	lb	1.85
Steel	lb	1.85
Iron	lb	1.85
Gold	oz	1.85
Platinum	oz	1.85
Silver	oz	1.85
Grain	bu	1.85
Wheat	bu	1.85
Barley	bu	1.85
Oats	bu	1.85
Rice	bu	1.85
Beans	bu	1.85
Soybeans	bu	1.85
Corn	bu	1.85
Oil	gal	1.85
Crude	gal	1.85
Gas	gal	1.85
Coal	ton	1.85
Iron ore	ton	1.85

## Progress on jute promotion

GENEVA, April 20.

THE OUTLINES of an international arrangement for promoting production and use of jute, capable of being negotiated within one year, have emerged from discussions here among producing and importing nations.

Mr. Roger Martin, British delegate, said a five-day meeting last week of an intergovernmental group, held under the auspices of the United Nations, had agreed to include four specific elements in a possible jute accord.

These were: a programme of research and development whose aims would include finding new uses for jute and improving agricultural productivity; market promotion to retain and expand markets in the face of growing competition from synthetic products; evaluation and co-ordination of programmes intended to reduce costs; and exchange of information on jute's overall competitiveness.

The meeting instructed the United Secretariat to prepare a study in collaboration with the Food and Agricultural Organisation on a possible scheme to provide international financial assistance for national stocking operations related to international trade in jute fibre.

## China maize purchase confirmed

CHICAGO, April 20.

A U.S. grain export company executive has reported that China bought about 200,000 tonnes of Argentine maize for shipment in the summer.

This confirms a report from Buenos Aires earlier this week.

The sale is linked to the same export firm that is believed to have sold most, if not all, of the tonnes of U.S. wheat to China and 150,000 tonnes of soybean oil for shipment next month.

## Copper and sugar ease: coffee firm

NEW YORK, April 18.

COPPER closed lower on disappointed speculation that the London market might be able to secure a better price for copper than the current market price. Sugar eased on reports of a possible increase in production. Coffee was firm on reports of a possible increase in production.

## DESK TRADERS

We are a small progressive firm of Commodity Brokers trading for clients on the London Futures Markets. Due to expansion we are now looking for Desk Traders with at least two years' experience in this field. Remuneration will be commensurate with ability and experience.

Please write with brief career details to: Box A.824, Financial Times, 10, Cannon Street, EC4A 3BY.

## CORPORATION LOANS

Company	Loan	Rate
South Yorkshire County Council	£250,000	10%
Interest Paid Half Yearly		
Pressure Payment Facilities at Council		
Full Details from COUNTY TREASURER, REGENT STREET, BARNESLEY, S70 2DX. Phone (0224) 86141, Ext. 442.		

## CLASSIFIED ADVERTISEMENT RATES

Category	Single Column	Double Column
Commercial and Industrial Property	4.50	14.00
Residential Property	2.00	8.00
Appointments	4.50	14.00
Business & Investment Opportunities, Corporation Loans, Production Capacity, Businesses for Sale/Wanted	5.25	16.00
Education, Motors, Contracts & Tenders, Personal, Gardening	4.25	13.00
Hotels and Travel	2.75	10.00
Book Publishers	7.00	24.00

## COCA

London market for cocoa beans closed lower on reports of a possible increase in production.

## SUGAR

LONDON DAILY PRICE FOR RAW SUGAR

Commodity	Unit	Price
Sugar	ton	1.85
Crude	gal	1.85
Gas	gal	1.85
Coal	ton	1.85
Iron ore	ton	1.85

## COFFEE

ICO Indicator prices for April 1978

Commodity	Unit	Price
Coffee	lb	1.85
Crude	gal	1.85
Gas	gal	1.85
Coal	ton	1.85
Iron ore	ton	1.85

## GRAINS

LONDON FUTURES (C/AF/TA)

Commodity	Unit	Price
Grain	bu	1.85
Wheat	bu	1.85
Barley	bu	1.85
Oats	bu	1.85
Rice	bu	1.85

## JUTE

JUTE, Dundee—Quiet but prices very

firm. Offers for Dundee being made at 120/- and 125/- for 100/- and 110/- for 100/-.

## FERODO

FERODO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## FERO DO

FERO DO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## FERO DO

FERO DO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## FERO DO

FERO DO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## FERO DO

FERO DO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## FERO DO

FERO DO, a member of the

Turner and Newall Group, has been allocated a Government advance factory of 15,000 square feet on the Sheepbridge Industrial Estate, at Chesterfield, north Derbyshire.

The factory will be used to manufacture retarders for use on buses, coaches and heavy commercial vehicles. It will eventually employ 70 people.

## GIRO CURRENCY

THE NATIONAL Giro is to open

three more bureaux de change at post offices in readiness for the holiday season. The Giro's first bureau de change opened in Trafalgar Square post office in London in September last year.

The service at the Edinburgh main post office, Waterloo Place, will be available from April 24 to be followed shortly at the main post office, Post Office Road, Bournemouth, and the post office at Great Portland Street, London.

## STOCK EXCHANGE REPORT

# Market sentiment disturbed by weakness in sterling

## Share index down 6.8 at 454.8—Golds on offer

## Account Dealing Dates

\*First Dealing Last Account  
Dealing Date Dealing Date  
Apr. 3 Apr. 14 Apr. 25  
Apr. 10 Apr. 21 Apr. 30  
Apr. 17 Apr. 28 May 10  
May 3 May 11 May 23

\*New firms' dealings may take place from 9.30 a.m. two business days earlier.

The recent recovery movement in stock markets came to a halt yesterday as market sentiment became increasingly disturbed by the weakness in sterling. Gilt-edged securities were well to the fore in the day's reaction, particularly short-dated issues which met some fairly heavy selling after the previous day's good advance. Losses in this area ranged to 1 at the close. Boosted at the start by news that the long "tap" had been exhausted, long-dated issues eventually drifted lower to close with falls extending to 3. The Government Securities index lost 0.33 to 71.83.

Scattered selling and the absence of any follow-through support brought the equity leaders back a few pence or so. Trading conditions were again rather quiet and the bulk of the day's reaction took place during the morning session. This was reflected in the FT 30-share index which extended its loss of 5.2 at noon to one of 6.8 at 454.8 at the close. Among the index constituents, Turner and Newall were outstandingly down at 17 1/2, down 17, on the £22m rights issue and the cautious statement on trading prospects.

In contrast to the leaders, secondary issues made a mixed showing, but raised the edge over falls in FT-quoted industrials. Little worthy of note developed in the sector, but overseas issues gave ground in sympathy with the fall in the dollar premium. Official markings of 4,985 compared with 4,588 yesterday and 3,820 a week ago.

The U.S. Treasury's decision to sell 1.8m. ounces of gold over six months starting next week was marked for weakness in the bullion price which, in turn, prompted a sympathetic reaction in Gold shares. After being marked down sharply at the opening, prices held reasonably steady at the lower levels until the late dealing when U.S. offerings left final quotations at the lowest of the day. The Gold Mines index fell 0.4 to 134.7.

## Turn Down in Gilts

Overshadowed by the weakness in sterling, British funds took a distinct turn for the worse yesterday. The recent exuberance at the short-end of the market which followed news of the exhaustion

of the "tap" stock soon faded as prices gave way in the face of some heavy selling which left final quotations with falls extending to 1. Helped initially by further sales of the long tap, Exchequer 10 1/2 per cent, 1995, at 87, stock in this area held steady, but once it became known that the Government broker's supplies had been exhausted, prices tended to ease to close with losses ranging to 1. The reaction, however, mainly reflected lack of fresh support. The announcement of a new short tap is expected to-day, but feelings about an issue to-day of a long tap were mixed.

The investment currency market moved very erratically in another good two-way trade. Buyers were in evidence at the start and the premium moved to 12 1/2 per cent from the overnight 11 1/2 per cent. Sellers soon took the upper hand, however, and the rate fell away to a day's low of 10 1/2 per cent before rallying late on buying for U.S. investment purposes and the closing level was 10 1/4 per cent—a net loss of 11.0664.

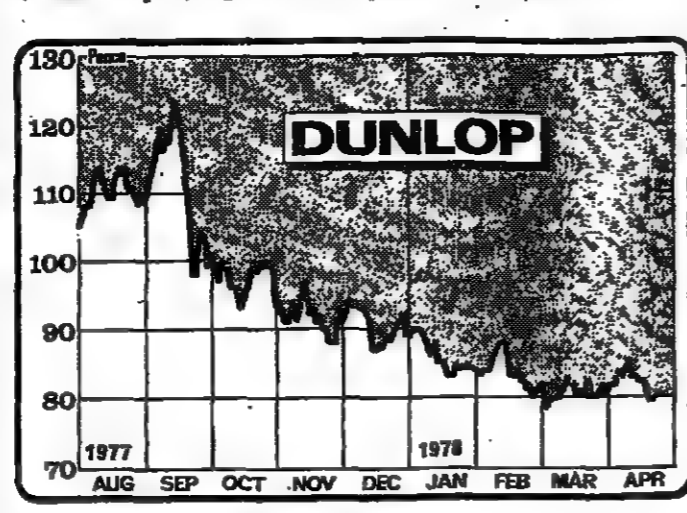
## Clive disappointment

Wednesday's firm trend which had stemmed from Press suggestions that the major clearers may raise their charges following the Price Commission's report gave way to easier conditions in Banks. Prices opened lower and drifted down with the general trend. Dunlop, 202p, and Midland, 352p, both receded 8 while NatWest ended 8 off at 276p and Barclays 3 cheaper at 330p, after 346p. The reaction in the investment currency premium was mirrored by the reaction in the dollar premium. Official markings of 4,985 compared with 4,588 yesterday and 3,820 a week ago.

The U.S. Treasury's decision to sell 1.8m. ounces of gold over six months starting next week was marked for weakness in the bullion price which, in turn, prompted a sympathetic reaction in Gold shares. After being marked down sharply at the opening, prices held reasonably steady at the lower levels until the late dealing when U.S. offerings left final quotations at the lowest of the day. The Gold Mines index fell 0.4 to 134.7.

Dealing was resumed yesterday in Leslie and Godwin following the decision made by Lord's that the proposed bid for Leslie from American Insurance giant Frank B. Hall had been withdrawn. Leslie returned at 85p compared with the suspension price of 93p and touched 91p before closing at 90p. Elsewhere, Willis Faber relinquished 3 to 275p in reaction to the chairman's bullish action

statement and C. E. Heath cheapened 7 to 255p. Breweries drifted slightly lower. Scottish and Newcastle eased a penny to 64 1/2, Allied 1 1/2 to 85p and A. Guinness 2 to 174p. Elsewhere, James Cress rose 4 to 133 1/2 in response to the interim profits increase. Building descriptions, dull from the outset, drifted down in minimal business. Of the leaders, APC Cement eased 4 to 235p. J. Mowlem responded to the annual results with a rise of 2 1/2 to 129p, but Tisbury Contracting shed 5 to 245p. Profit-taking had Rocco 3 down at 35p after the previous day's rise of 2 1/2 which followed the annual results. Peclins, on the other hand, attracted small buying to close 3 up at 89p after 90p.



Elsewhere, modest demand in a thin market lifted J.C.E.C. 3 1/2 to 27p. Brown and Jackson formed 2 more to 73p after renewed interest. Beywood Williams encountered more business and touched 94p before closing 1 1/2 easier at 90p, while Higgin and Hill shed 3 1/2 to 81p on further speculation of the annual results. Modest selling clipped 5 from ICI to 336p after a small trade. In contrast, Hickson Welch put on 1 to 170p after 175p, and Brent firmed 4 to 209p.

## Owen Owen please

Leading Stores turned reactionary in sympathy with the general trend. Marks and Spencer, 142p, British Home, 177p, Gussies A. 378p, and Mothercare, 156p, all sustained losses of 4, while W. H. Smith A. shed 2 to 149p as did Burton A. to 114p. Secondary issues, however, held up well with Owen Owen a firm feature at 77p, up 7, in response to the better-than-expected results. Partridge firmed 8 to 25p in a thin market and Freemans added 4 to 306p.

Plessey came on offer in the decision by the ICAIC to accept an American-Australian instrument landing system rather than the U.K. Doppler system. BICC eased 2 to 115p, while Thoma Electrical finished 4 off at 54p and GEC 3 cheaper at 227p. On more cheerful note, Farnell Electronics advanced 6 to 230p on small buying in anticipation of next Tuesday's preliminary figures.

Marion International came to the fore in Engineering, rising 14 to 180p in response to the sharp increase in first-half earnings. Clayton firmed 2 to 67p, after 68p, following the annual results and Victor Products, a 1969, recorded a Press-inspired improvement of 6. Demand was

## RISES AND FALLS YESTERDAY

British Funds	Up Down Same
Foreign Bonds	17 6 40
Financial and Prec.	22 27 95
Oil	9 2 30
Plastics	9 6 30
Mines	5 6 30
Recent Issues	5 2 4
Total	46 98 138

## Notice of Redemption

## Nippon Electric Company, Limited

7 1/4 % Guaranteed Sinking Fund Debentures Due 1981

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of May 15, 1969, under which the above debentures were issued, Citibank, N.A., as Trustee, has drawn by lot, for redemption on May 15, 1978, through the operation of the sinking fund provided for in said Indenture, \$733,000 principal amount of Debentures of said issue of the following distinctive numbers:

COUPON DEBENTURES OF \$1,000 PRINCIPAL AMOUNT OUTSTANDING	
No.	Serial
2	1277
3	1278
4	1279
5	1280
6	1281
7	1282
8	1283
9	1284
10	1285
11	1286
12	1287
13	1288
14	1289
15	1290
16	1291
17	1292
18	1293
19	1294
20	1295
21	1296
22	1297
23	1298
24	1299
25	1300
26	1301
27	1302
28	1303
29	1304
30	1305
31	1306
32	1307
33	1308
34	1309
35	1310
36	1311
37	1312
38	1313
39	1314
40	1315
41	1316
42	1317
43	1318
44	1319
45	1320
46	1321
47	1322
48	1323
49	1324
50	1325
51	1326
52	1327
53	1328
54	1329
55	1330
56	1331
57	1332
58	1333
59	1334
60	1335
61	1336
62	1337
63	1338
64	1339
65	1340
66	1341
67	1342
68	1343
69	1344
70	1345
71	1346
72	1347
73	1348
74	1349
75	1350
76	1351
77	1352
78	1353
79	1354
80	1355
81	1356
82	1357
83	1358
84	1359
85	1360
86	1361
87	1362
88	1363
89	1364
90	1365
91	1366
92	1367
93	1368
94	1369
95	1370
96	1371
97	1372
98	1373
99	1374
100	1375
101	1376
102	1377
103	1378
104	1379
105	1380
106	1381
107	1382
108	1383
109	1384
110	1385
111	1386
112	1387
113	1388
114	1389
115	1390
116	1391
117	1392
118	1393
119	1394
120	1395
121	1396
122	1397
123	1398
124	1399
125	1400
126	1401
127	1402
128	1403
129	1404
130	1405
131	1406
132	1407
133	1408
134	1409
135	1410
136	1411
137	1412
138	1413
139	1414
140	1415
141	1416
142	1417
143	1418
144	1419
145	1420
146	1421
147	1422
148	1423
149	1424
150	1425
151	1426
152	1427
153	1428
154	1429
155	1430
156	1431
157	1432
158	1433
159	1434
160	1435
161	1436
162	1437
163	1438
164	1439
165	1440
166	1441
167	1442
168	1443
169	1444
170	1445
171	1446
172	1447
173	1448
174	1449
175	1450
176	1451
177	1452
178	1453
179	1454
180	1455
181	1456
182	1457
183	1458
184	1459
185	1460
186	1461
187	1462
188	1463
189	1464
190	1465
191	1466
192	1467
193	1468
194	1469
195	1470
196	1471
197	1472
198	1473
199	1474
200	1475
201	1476
202	1477
203	1478
204	1479
205	1480
206	1481
207	1482
208	1483
209	1484
210	1485
211	1486
212	1487
213	1488
214	1489
215	1490
216	1491
217	1492
218	1493
219	1494
220	1495
221	1496
222	1497
223	1498
224	1499
225	1500
226	1501
227	1502
228	1503
229	1504
230	1505
231	1506
232	1507
233	1508
234	1509
235	1510
236	1511
237	1512
238	1513
239	1514
240	1515
241	1516
242	1517
243	1518
244	1519
245	1520
246	1521
247	1522
248	1523
249	1524
250	1525
251	1526
252	1527
253	1528
254	1529
255	1530
256	1531
257	1532
258	1533
259	1534
260	1535
261	1536
262	1537
263	1538
264	1539
265	1540
266	1541
267	1542
268	1543
269	1544
270	1545
271	1546
272	1547
273	1548
274	1549
275	1550
276	1551
277	1552
278	1553
279	1554
280	1555
281	1556
282	1557
283	1558
284	1559
285	1560
286	1561
287	1562
288	1563
289	1564
290	1565
291	1566
292	1567
293	1568
294	1569
295	1570
296	1571
297	1572
298	1573
299	1574
300	1575
301	1576
302	1577
303	1578
304	1579
305	1580
306	1581
307	1582
308	1583
309	1584
310	1585
311	1586
312	1587
313	1588
314	1589
315	1590
316	1591
317	1592
318	1593
319	1594
320	1595
321	1596
322	1597
323	1598
324	1599
325	1600
326	1601
327	1602
328	1603
329	1604
330	1605
331	1606
332	1607
333	1608
334	1609
335	1610
336	1611
337	1612
338	1613
339	1614
340	1615
341	1616
342	1617
343	1618
344	1619
345	1620
346	1621
347	1622
348	1623
349	1624
350	1625
351	1626
352	1627
353	1628
354	1629
355	1630
356	1631
357	1632
358	1633
359	1634
360	1635
361	1636
362	1637
363	1638
364	1639
365	1640
366	1641
367	1642
368	1643
369	1644
370	1645
371	1646
372	1647
373	1648
374	1649
375	1650
376	1651
377	1652
378	1653
379	1654
380	1655
381	1656
382	1657
383	1658
384	1659
385	1660
386	1661
387	1662
388	1663
389	1664
390	1665
391	

## OFFSHORE AND OVERSEAS FUNDS

[illegible]

W. BERRY TEMPLETON LTD  
Property Consultants  
to Commerce and Industry  
47 Great Russell Street London WC1B 3PA 01-6374577

FT SHARE INFORMATION SERVICE

HOTELS-Continued

High	Low	Stock	Price	+/-	Div	Yld	Cvt
109	87	Grand Hotel, London	104	-14	4.25	2.9	
109	87	Grand Hotel, London	104	-14	4.25	2.9	
109	87	Grand Hotel, London	104	-14	4.25	2.9	
109	87	Grand Hotel, London	104	-14	4.25	2.9	
109	87	Grand Hotel, London	104	-14	4.25	2.9	

AMERICANS-Continued

High	Low	Stock	Price	+/-	Div	Yld	Cvt
292	281	Motor Corp. 5%	291	-1	5.20	2.3	
292	281	Motor Corp. 5%	291	-1	5.20	2.3	
292	281	Motor Corp. 5%	291	-1	5.20	2.3	
292	281	Motor Corp. 5%	291	-1	5.20	2.3	
292	281	Motor Corp. 5%	291	-1	5.20	2.3	

BUILDING INDUSTRY-Cont.

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Carroll (C&O) Inc.	100	-13	1.32	9.3	
100	87	Carroll (C&O) Inc.	100	-13	1.32	9.3	
100	87	Carroll (C&O) Inc.	100	-13	1.32	9.3	
100	87	Carroll (C&O) Inc.	100	-13	1.32	9.3	
100	87	Carroll (C&O) Inc.	100	-13	1.32	9.3	

DRAPERY AND STORES-Cont.

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Goldberg & Co.	100	-13	1.32	9.3	
100	87	Goldberg & Co.	100	-13	1.32	9.3	
100	87	Goldberg & Co.	100	-13	1.32	9.3	
100	87	Goldberg & Co.	100	-13	1.32	9.3	
100	87	Goldberg & Co.	100	-13	1.32	9.3	

ENGINEERING-Continued

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Engelhard Corp.	100	-13	1.32	9.3	
100	87	Engelhard Corp.	100	-13	1.32	9.3	
100	87	Engelhard Corp.	100	-13	1.32	9.3	
100	87	Engelhard Corp.	100	-13	1.32	9.3	
100	87	Engelhard Corp.	100	-13	1.32	9.3	

INDUSTRIALS (Misc.)

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	ACB Research	100	-13	1.32	9.3	
100	87	ACB Research	100	-13	1.32	9.3	
100	87	ACB Research	100	-13	1.32	9.3	
100	87	ACB Research	100	-13	1.32	9.3	
100	87	ACB Research	100	-13	1.32	9.3	

BRITISH FUNDS

Shorts (Lives up to Five Years)

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Treasury 5% 78-81	100	-13	1.32	9.3	
100	87	Treasury 5% 78-81	100	-13	1.32	9.3	
100	87	Treasury 5% 78-81	100	-13	1.32	9.3	
100	87	Treasury 5% 78-81	100	-13	1.32	9.3	
100	87	Treasury 5% 78-81	100	-13	1.32	9.3	

CANADIANS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Bank of Montreal	100	-13	1.32	9.3	
100	87	Bank of Montreal	100	-13	1.32	9.3	
100	87	Bank of Montreal	100	-13	1.32	9.3	
100	87	Bank of Montreal	100	-13	1.32	9.3	
100	87	Bank of Montreal	100	-13	1.32	9.3	

BANKS AND HIRE PURCHASE

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Bank of America	100	-13	1.32	9.3	
100	87	Bank of America	100	-13	1.32	9.3	
100	87	Bank of America	100	-13	1.32	9.3	
100	87	Bank of America	100	-13	1.32	9.3	
100	87	Bank of America	100	-13	1.32	9.3	

ELECTRICAL AND RADIO

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Radio Shack	100	-13	1.32	9.3	
100	87	Radio Shack	100	-13	1.32	9.3	
100	87	Radio Shack	100	-13	1.32	9.3	
100	87	Radio Shack	100	-13	1.32	9.3	
100	87	Radio Shack	100	-13	1.32	9.3	

CHEMICALS, PLASTICS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Chemical Bank	100	-13	1.32	9.3	
100	87	Chemical Bank	100	-13	1.32	9.3	
100	87	Chemical Bank	100	-13	1.32	9.3	
100	87	Chemical Bank	100	-13	1.32	9.3	
100	87	Chemical Bank	100	-13	1.32	9.3	

INTERNATIONAL BANK

55 International Bank 78-81

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	International Bank	100	-13	1.32	9.3	
100	87	International Bank	100	-13	1.32	9.3	
100	87	International Bank	100	-13	1.32	9.3	
100	87	International Bank	100	-13	1.32	9.3	
100	87	International Bank	100	-13	1.32	9.3	

CORPORATION LOANS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Corporation Loans	100	-13	1.32	9.3	
100	87	Corporation Loans	100	-13	1.32	9.3	
100	87	Corporation Loans	100	-13	1.32	9.3	
100	87	Corporation Loans	100	-13	1.32	9.3	
100	87	Corporation Loans	100	-13	1.32	9.3	

COMMONWEALTH & AFRICAN LOANS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Commonwealth Loans	100	-13	1.32	9.3	
100	87	Commonwealth Loans	100	-13	1.32	9.3	
100	87	Commonwealth Loans	100	-13	1.32	9.3	
100	87	Commonwealth Loans	100	-13	1.32	9.3	
100	87	Commonwealth Loans	100	-13	1.32	9.3	

LOANS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Loans	100	-13	1.32	9.3	
100	87	Loans	100	-13	1.32	9.3	
100	87	Loans	100	-13	1.32	9.3	
100	87	Loans	100	-13	1.32	9.3	
100	87	Loans	100	-13	1.32	9.3	

REERS, WINES AND SPIRITS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Reers, Wines & Spirits	100	-13	1.32	9.3	
100	87	Reers, Wines & Spirits	100	-13	1.32	9.3	
100	87	Reers, Wines & Spirits	100	-13	1.32	9.3	
100	87	Reers, Wines & Spirits	100	-13	1.32	9.3	
100	87	Reers, Wines & Spirits	100	-13	1.32	9.3	

FOREIGN BONDS & RAILS

100 Foreign Bonds & Rails

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Foreign Bonds & Rails	100	-13	1.32	9.3	
100	87	Foreign Bonds & Rails	100	-13	1.32	9.3	
100	87	Foreign Bonds & Rails	100	-13	1.32	9.3	
100	87	Foreign Bonds & Rails	100	-13	1.32	9.3	
100	87	Foreign Bonds & Rails	100	-13	1.32	9.3	

CINEMAS, THEATRES AND TV

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Cinemas, Theatres & TV	100	-13	1.32	9.3	
100	87	Cinemas, Theatres & TV	100	-13	1.32	9.3	
100	87	Cinemas, Theatres & TV	100	-13	1.32	9.3	
100	87	Cinemas, Theatres & TV	100	-13	1.32	9.3	
100	87	Cinemas, Theatres & TV	100	-13	1.32	9.3	

DRAPERY AND STORES

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	

ENGINEERING MACHINE TOOLS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	

FOOD, GROCERIES, ETC.

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	

AMERICANS

100 Americans

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Americans	100	-13	1.32	9.3	
100	87	Americans	100	-13	1.32	9.3	
100	87	Americans	100	-13	1.32	9.3	
100	87	Americans	100	-13	1.32	9.3	
100	87	Americans	100	-13	1.32	9.3	

BUILDING INDUSTRY, TIMBER AND ROADS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Building Industry, Timber & Roads	100	-13	1.32	9.3	
100	87	Building Industry, Timber & Roads	100	-13	1.32	9.3	
100	87	Building Industry, Timber & Roads	100	-13	1.32	9.3	
100	87	Building Industry, Timber & Roads	100	-13	1.32	9.3	
100	87	Building Industry, Timber & Roads	100	-13	1.32	9.3	

DRAPERY AND STORES

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	
100	87	Drapery and Stores	100	-13	1.32	9.3	

ENGINEERING MACHINE TOOLS

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	
100	87	Engineering Machine Tools	100	-13	1.32	9.3	

FOOD, GROCERIES, ETC.

High	Low	Stock	Price	+/-	Div	Yld	Cvt
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	
100	87	Food, Groceries, Etc.	100	-13	1.32	9.3	

AMERICANS

100 Americans

124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1	1	1
124	85 1/2	Burns & McDermott	122 1/2	7	1</		

INDUSTRIALS - Continued

Stock	Price	High	Low	Open	Close	Change
Admiral	10.50	10.75	10.25	10.50	10.50	0.00
Anglo	1.10	1.15	1.05	1.10	1.10	0.00
British	1.20	1.25	1.15	1.20	1.20	0.00
Canada	1.30	1.35	1.25	1.30	1.30	0.00
Decca	1.40	1.45	1.35	1.40	1.40	0.00
Electric	1.50	1.55	1.45	1.50	1.50	0.00
Financial	1.60	1.65	1.55	1.60	1.60	0.00
General	1.70	1.75	1.65	1.70	1.70	0.00
Industrial	1.80	1.85	1.75	1.80	1.80	0.00
International	1.90	1.95	1.85	1.90	1.90	0.00
Maritime	2.00	2.05	1.95	2.00	2.00	0.00
Metals	2.10	2.15	2.05	2.10	2.10	0.00
Oil	2.20	2.25	2.15	2.20	2.20	0.00
Public	2.30	2.35	2.25	2.30	2.30	0.00
Real Estate	2.40	2.45	2.35	2.40	2.40	0.00
Services	2.50	2.55	2.45	2.50	2.50	0.00
Software	2.60	2.65	2.55	2.60	2.60	0.00
Telecom	2.70	2.75	2.65	2.70	2.70	0.00
Transport	2.80	2.85	2.75	2.80	2.80	0.00
Utilities	2.90	2.95	2.85	2.90	2.90	0.00
Waste	3.00	3.05	2.95	3.00	3.00	0.00
Wholesale	3.10	3.15	3.05	3.10	3.10	0.00
World	3.20	3.25	3.15	3.20	3.20	0.00
Worldwide	3.30	3.35	3.25	3.30	3.30	0.00
Worldwide	3.40	3.45	3.35	3.40	3.40	0.00
Worldwide	3.50	3.55	3.45	3.50	3.50	0.00
Worldwide	3.60	3.65	3.55	3.60	3.60	0.00
Worldwide	3.70	3.75	3.65	3.70	3.70	0.00
Worldwide	3.80	3.85	3.75	3.80	3.80	0.00
Worldwide	3.90	3.95	3.85	3.90	3.90	0.00
Worldwide	4.00	4.05	3.95	4.00	4.00	0.00
Worldwide	4.10	4.15	4.05	4.10	4.10	0.00
Worldwide	4.20	4.25	4.15	4.20	4.20	0.00
Worldwide	4.30	4.35	4.25	4.30	4.30	0.00
Worldwide	4.40	4.45	4.35	4.40	4.40	0.00
Worldwide	4.50	4.55	4.45	4.50	4.50	0.00
Worldwide	4.60	4.65	4.55	4.60	4.60	0.00
Worldwide	4.70	4.75	4.65	4.70	4.70	0.00
Worldwide	4.80	4.85	4.75	4.80	4.80	0.00
Worldwide	4.90	4.95	4.85	4.90	4.90	0.00
Worldwide	5.00	5.05	4.95	5.00	5.00	0.00
Worldwide	5.10	5.15	5.05	5.10	5.10	0.00
Worldwide	5.20	5.25	5.15	5.20	5.20	0.00
Worldwide	5.30	5.35	5.25	5.30	5.30	0.00
Worldwide	5.40	5.45	5.35	5.40	5.40	0.00
Worldwide	5.50	5.55	5.45	5.50	5.50	0.00
Worldwide	5.60	5.65	5.55	5.60	5.60	0.00
Worldwide	5.70	5.75	5.65	5.70	5.70	0.00
Worldwide	5.80	5.85	5.75	5.80	5.80	0.00
Worldwide	5.90	5.95	5.85	5.90	5.90	0.00
Worldwide	6.00	6.05	5.95	6.00	6.00	0.00
Worldwide	6.10	6.15	6.05	6.10	6.10	0.00
Worldwide	6.20	6.25	6.15	6.20	6.20	0.00
Worldwide	6.30	6.35	6.25	6.30	6.30	0.00
Worldwide	6.40	6.45	6.35	6.40	6.40	0.00
Worldwide	6.50	6.55	6.45	6.50	6.50	0.00
Worldwide	6.60	6.65	6.55	6.60	6.60	0.00
Worldwide	6.70	6.75	6.65	6.70	6.70	0.00
Worldwide	6.80	6.85	6.75	6.80	6.80	0.00
Worldwide	6.90	6.95	6.85	6.90	6.90	0.00
Worldwide	7.00	7.05	6.95	7.00	7.00	0.00
Worldwide	7.10	7.15	7.05	7.10	7.10	0.00
Worldwide	7.20	7.25	7.15	7.20	7.20	0.00
Worldwide	7.30	7.35	7.25	7.30	7.30	0.00
Worldwide	7.40	7.45	7.35	7.40	7.40	0.00
Worldwide	7.50	7.55	7.45	7.50	7.50	0.00
Worldwide	7.60	7.65	7.55	7.60	7.60	0.00
Worldwide	7.70	7.75	7.65	7.70	7.70	0.00
Worldwide	7.80	7.85	7.75	7.80	7.80	0.00
Worldwide	7.90	7.95	7.85	7.90	7.90	0.00
Worldwide	8.00	8.05	7.95	8.00	8.00	0.00
Worldwide	8.10	8.15	8.05	8.10	8.10	0.00
Worldwide	8.20	8.25	8.15	8.20	8.20	0.00
Worldwide	8.30	8.35	8.25	8.30	8.30	0.00
Worldwide	8.40	8.45	8.35	8.40	8.40	0.00
Worldwide	8.50	8.55	8.45	8.50	8.50	0.00
Worldwide	8.60	8.65	8.55	8.60	8.60	0.00
Worldwide	8.70	8.75	8.65	8.70	8.70	0.00
Worldwide	8.80	8.85	8.75	8.80	8.80	0.00
Worldwide	8.90	8.95	8.85	8.90	8.90	0.00
Worldwide	9.00	9.05	8.95	9.00	9.00	0.00
Worldwide	9.10	9.15	9.05	9.10	9.10	0.00
Worldwide	9.20	9.25	9.15	9.20	9.20	0.00
Worldwide	9.30	9.35	9.25	9.30	9.30	0.00
Worldwide	9.40	9.45	9.35	9.40	9.40	0.00
Worldwide	9.50	9.55	9.45	9.50	9.50	0.00
Worldwide	9.60	9.65	9.55	9.60	9.60	0.00
Worldwide	9.70	9.75	9.65	9.70	9.70	0.00
Worldwide	9.80	9.85	9.75	9.80	9.80	0.00
Worldwide	9.90	9.95	9.85	9.90	9.90	0.00
Worldwide	10.00	10.05	9.95	10.00	10.00	0.00
Worldwide	10.10	10.15	10.05	10.10	10.10	0.00
Worldwide	10.20	10.25	10.15	10.20	10.20	0.00
Worldwide	10.30	10.35	10.25	10.30	10.30	0.00
Worldwide	10.40	10.45	10.35	10.40	10.40	0.00
Worldwide	10.50	10.55	10.45	10.50	10.50	0.00
Worldwide	10.60	10.65	10.55	10.60	10.60	0.00
Worldwide	10.70	10.75	10.65	10.70	10.70	0.00
Worldwide	10.80	10.85	10.75	10.80	10.80	0.00
Worldwide	10.90	10.95	10.85	10.90	10.90	0.00
Worldwide	11.00	11.05	10.95	11.00	11.00	0.00
Worldwide	11.10	11.15	11.05	11.10	11.10	0.00
Worldwide	11.20	11.25	11.15	11.20	11.20	0.00
Worldwide	11.30	11.35	11.25	11.30	11.30	0.00
Worldwide	11.40	11.45	11.35	11.40	11.40	0.00
Worldwide	11.50	11.55	11.45	11.50	11.50	0.00
Worldwide	11.60	11.65	11.55	11.60	11.60	0.00
Worldwide	11.70	11.75	11.65	11.70	11.70	0.00
Worldwide	11.80	11.85	11.75	11.80	11.80	0.00
Worldwide	11.90	11.95	11.85	11.90	11.90	0.00
Worldwide	12.00	12.05	11.95	12.00	12.00	0.00
Worldwide	12.10	12.15	12.05	12.10	12.10	0.00
Worldwide	12.20	12.25	12.15	12.20	12.20	0.00
Worldwide	12.30	12.35	12.25	12.30	12.30	0.00
Worldwide	12.40	12.45	12.35	12.40	12.40	0.00
Worldwide	12.50	12.55	12.45	12.50	12.50	0.00
Worldwide	12.60	12.65	12.55	12.60	12.60	0.00
Worldwide	12.70	12.75	12.65	12.70	12.70	0.00
Worldwide	12.80	12.85	12.75	12.80	12.80	0.00
Worldwide	12.90	12.95	12.85	12.90	12.90	0.00
Worldwide	13.00	13.05	12.95	13.00	13.00	0.00
Worldwide	13.10	13.15	13.05	13.10	13.10	0.00
Worldwide	13.20	13.25	13.15	13.20	13.20	0.00
Worldwide	13.30	13.35	13.25	13.30	13.30	0.00
Worldwide	13.40	13.45	13.35	13.40	13.40	0.00
Worldwide	13.50	13.55	13.45	13.50	13.50	0.00
Worldwide	13.60	13.65	13.55	13.60	13.60	0.00
Worldwide	13.70	13.75	13.65	13.70	13.70	0.00
Worldwide	13.80	13.85	13.75	13.80	13.80	0.00
Worldwide	13.90	13.95	13.85	13.90	13.90	0.00
Worldwide	14.00	14.05	13.95	14.00	14.00	0.00
Worldwide	14.10	14.15	14.05	14.10	14.10	0.00
Worldwide	14.20	14.25	14.15	14.20	14.20	0.00
Worldwide	14.30	14.35	14.25	14.30	14.30	0.00
Worldwide	14.40	14.45	14.35	14.40	14.40	0.00
Worldwide	14.50	14.55	14.45	14.50	14.50	0.00
Worldwide	14.60	14.65	14.55	14.60	14.60	0.00
Worldwide	14.70	14.75	14.65	14.70	14.70	0.00
Worldwide	14.80	14.85	14.75	14.80	14.80	0.00
Worldwide	14.90	14.95	14.85	14.90	14.90	0.00
Worldwide	15.00	15.05	14.95	15.00	15.00	0.00
Worldwide	15.10	15.15	15.05	15.10	15.10	0.00
Worldwide	15.20	15.25	15.15	15.20	15.20	0.00
Worldwide	15.30	15.35	15.25	15.30	15.30	0.00
Worldwide	15.40	15.45	15.35	15.40	15.40	0.00
Worldwide	15.50	15.55	15.45	15.50	15.50	0.00
Worldwide	15.60	15.65	15.55	15.60	15.60	0.00
Worldwide	15.70	15.75	15.65	15.70	15.70	0.00
Worldwide	15.80	15.85	15.75	15.80	15.80	0.00
Worldwide	15.90	15.95	15.85	15.90	15.90	0.00
Worldwide	16.00	16.05	15.95	16.00	16.00	0.00
Worldwide	16.10	16.15	16.05	16.10	16.10	0.00
Worldwide	16.20	16.25	16.15	16.20	16.20	0.00
Worldwide	16.30	16.35	16.25	16.30	16.30	0.00
Worldwide	16.40	16.45	16.35	16.40	16.40	0.00
Worldwide	16.50	16.55	16.45	16.50	16.50	0.00
Worldwide	16.60	16.65	16.55	16.60	16.60	0.00
Worldwide	16.70	16.75	16.65	16.70	16.70	0.00
Worldwide	16.80	16.85	16.75	16.80	16.80	0.00
Worldwide	16.90	16.95	16.85	16.90	16.90	0.00
Worldwide	17.00	17.05	16.95	17.00	17.00	0.00
Worldwide	17.10	17.15	17.05	17.10	17.10	0.00
Worldwide	17.20	17.25	17.15	17.20	17.20	0.00
Worldwide	17.30	17.35	17.25	17.30	17.30	0.00
Worldwide	17.40	17.45	17.35	17.40	17.40	0.00
Worldwide	17.50	17.55	17.45	17.50	17.50	0.00
Worldwide	17.60	17.65	17.55	17.60	17.60	0.00
Worldwide	17.70	17.75	17.65	17.70	17.70	0.00
Worldwide	17.80	17.85	17.75	17.80	17.80	0.00
Worldwide	17.90	17.95	17.85	17.90	17.90	0.00
Worldwide	18.00	18.05	17.95	18.00	18.00	0.00
Worldwide	18.10	18.15	18.05	18.10	18.10	0.00
Worldwide	18.20	18.25	18.15	18.20	18.20	0.00
Worldwide	18.30	18.35	18.25	18.30	18.30	0.00
Worldwide	18.40	18.45	18.35	18.40	18.40	0.00
Worldwide	18.50	18.55	18.45	18.50	18.50	0.00
Worldwide	18.60	18.65	18.55	18.60	18.60	0.00
Worldwide	18.70	18.75	18.65	18.70	18.70	0.00
Worldwide	18.80	18.85	18.75	18.80	18.80	0.00
Worldwide	18.90	18.95	18.85	18.90	18.90	0.00
Worldwide	19.00					



# Government launches plans to encourage profit sharing

By JOHN ELLIOTT AND DAVID FREUD

GOVERNMENT plans to introduce income-tax concessions next April aimed at encouraging employees to acquire shares in the companies they work for were launched yesterday in the Finance Bill.

The plans are the result of the pressure on the Government of the Liberal Party, whose members hope they will lead to a rapid growth of the employees' share ownership form of profit sharing. In general, the Bill shows signs of the increasing strains caused by high marginal rates of tax. The number of measures devoted to giving special reliefs is sharply up on previous years, reflecting Government response to pressure from particular groups such as self-employed exporters and North Sea divers.

The profit-sharing proposals provide tax concessions on bonus allocations of up to £500 per employee each year. The bonuses are turned into shares and held by trustees for at least five years. No income tax is paid until the shares are sold, and the amount of tax then due is tapered in three stages so that it is paid on only 50 per cent of the original value after five years, with nothing due after 15 years.

The proposals are broadly in line with one of the schemes included in an Inland Revenue consultative document in February. Known as "method three" in the document, it was basically designed to encourage profit sharing by allowing a company to deduct from its taxable profits the amount of bonus paid to employees, provided the bonus was paid to employees who had acquired shares in the company.

## Queen's Awards for 124 companies

By Lorne Barling

SMALLER companies are prominent this year in the Queen's Awards for Export and Technology following a period of record British sales overseas. Last year exports rose sharply and contributed much to the economy at a time of depressed home demand.

The proportion of smaller companies among the 124 Queen's Award winners has risen from about 30 per cent last year to 40 per cent. However, the major engineering, construction and electronics companies remain dominant.

Recognition has also been given to the contribution of service exporters such as consultants, insurers, shippers and smaller companies such as travel agents and conference organisers.

The General Electric Company, which this year won three awards, received the most highly recognised company with 51 credits to its name since the start of the scheme in 1965.

The number of applications received by the Queen's Award Office reached a record of 1,550 over 50 per cent more than the record last year.

Applicants are expected to show a substantial and sustained increase in export earnings to a level which is outstanding for products or services concerned and for the size of the applicant unit's operations.

Among the major companies receiving awards were Air Products, Associated Portland Cement, Balfour Beatty, British Steel (Overseas Services), David Brown Tractors, EMI Records, Ever Ready, Fisons, Kodak, Marconi Avionics, Plessey, Pullman, Kellogg and Rowntree Macintosh.

For technological achievement winners include CJB (Submarine Services), CJB (Offshore) Dowty Mining Equipment, GKN (Forgings), ICI's Mond Division and Pharmacia Division, Pilkington's Research and Development Department and Rolls-Royce's advanced projects department.

The technology awards were mainly in the areas of drugs and agriculture, with ICI receiving one for a drug used to treat breast cancer and Smith Kline and French Laboratories one for treatment of peptic ulcers.

ICI also won an award for an insecticide, while the department of hop research at Wye College and East Malling Research Station were both recognised for work on hop plant development.

The Queen's Award Office said that the unusually good response from British industry this year was undoubtedly prompted by good export conditions and to some extent by the Queen's Jubilee.

Details, Page 10  
Men and Matters, Page 22

Continued from Page 1

## Forces' pay

also on the cabinet agenda and a statement will be made either late next week or the following week. The expectation is that both groups will get a rise of 10 per cent, in line with the Government's pay policy.

Doctors believe that their pay body recommends an increase of around 30 per cent, and they are looking for a deal like that of the firemen, with generous increases phased in over the next few years.

## Consumer spending increases sharply

By PETER RIDDELL, ECONOMICS CORRESPONDENT

CONSUMER spending rose sharply in real terms in the first three months of this year and was at the highest level since the early autumn of 1973.

Expenditure has increased by 41 per cent, compared with the exceptionally low level of the April-to-June period of last year.

On a longer-term comparison, spending in the last six months was 21 per cent higher than in the previous half-year.

This suggests that the revival in expenditure is now well established, even though the increase so far merely offsets the decline of 1974-77 and spending to date still falls short of boom levels.

Preliminary estimates published by the Central Statistical Office yesterday indicate that the volume of consumers' expenditure rose by about 11 per cent between the October-to-December period of last year and the first three months of 1978 to £20.0bn. (at 1970 prices and seasonally adjusted).

The level of savings will have a crucial influence on the extent of the expected consumer boom during the next few months. The view of most economists and of the Treasury in its budget projections is that consumer spending will rise sharply this year in line with the rise in disposable incomes.

In particular, higher real earnings and tax cuts and rebates are expected to boost spending especially sharply between now and the late autumn.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The figures published yesterday are partially forecasts, being based on incomplete data, and at this stage quarterly estimates may differ from the annual figures.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

## CONSUMER EXPENDITURE

1970 prices, seasonally adjusted

£m.

1975 35,269

1976 35,406

1977 35,133

1st 8,758

2nd 8,644

3rd 8,831

4th 9,900

1978 1st 9,015\*

\*First preliminary estimate

Source: Central Statistical Office.

line with the rise in disposable incomes.

In particular, higher real earnings and tax cuts and rebates are expected to boost spending especially sharply between now and the late autumn.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The figures published yesterday are partially forecasts, being based on incomplete data, and at this stage quarterly estimates may differ from the annual figures.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

The Treasury has projected an increase in consumer spending in real terms of nearly 5 per cent this year compared with 1977 to a level about 21 per cent higher than the previous peak in 1973.

## EEC plan to curb industry in new States

By Guy de Jonquieres, Common Market Correspondent

BRUSSELS, April 20.

GREECE, PORTUGAL and Spain should begin reducing national aid to industry and trimming investment in sensitive sectors like steel and textiles even before they are admitted as members of the EEC, according to senior officials of the European Commission.

In exchange for these measures, which are bound to involve considerable political and economic hardships in the three countries, the Community should offer them financial aid and exempt them from the full impact of any further restrictions introduced by the EEC in its trade policy towards third countries.

The officials are increasingly convinced that such actions will be needed if the entry of the three relatively under-developed countries is not to create difficulties in a Community already experiencing severe problems in number of its older and less efficient industries.

The idea, backed among others by Vincent Etienne Davignon, the influential Commissioner for Industry, is a central issue in the Commission's approach to EEC enlargement. It is strongly hinted at in the "Foresen" or overall study of enlargement approved by the Commission yesterday.

The recommendation was made much more explicitly in earlier drafts of the document, say the officials. But for diplomatic reasons it was toned down in the final version which is to be discussed by EEC Foreign Ministers early next month.

The Commission wants the applicant countries to start well before admission—to align their generous State aid policies with the much stricter EEC standards—and to begin "adaptation" of those industries whose counterparts in the Nine are already in trouble.

In practice, this would probably mean cutting the capacity of Greece's textile industry and tight constraints on any expansion of Spain's steel and shipbuilding industries.

It would also require drastic modification of Portugal's grandiose schemes to embark on ambitious steel, textile and shipbuilding programmes.

The Commission believes that, tough as these measures are, it is only fair to warn the applicants that EEC markets will not bear a substantial increase in the output of these products.

It is prepared to help them make adjustments by offering preferential trade treatment and financing programmes aimed at developing alternative growth sectors.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

The Commission proposes that the applicants be granted post-entry transition periods of between five and ten years to adjust to EEC membership.

## THE LEX COLUMN

# Turner and Newall calls for £32m.

The cost of Turner and Newall's attempt to break away from its traditional low growth or declining businesses has been two rights issues in just over two years. The latest—one for four at 152p to raise £32m—comes after a 12-month period in which the cash cost acquisitions and capital spending exceeded net cash flow by roughly £40m. The trouble is that the success of all this expansion is not yet assured.

Profits are actually lower so far in 1978, and the outlook is for only modest profits growth for the year to a bit over £50m, pre-tax, despite a full contribution from the acquisitions. The U.K. accounts for most of the weakness, with a disappointing performance from most of the home companies including the Storey Brothers acquisition. Substantial investments will be reaching the pay-off stage in 1979, but T and N wants to maintain conservative gearing ratios in the meantime since its return on capital is still less than 20 per cent, on an historic cost basis.

The only immediate consolation is the forecast of a 14 per cent dividend increase this year (1977's payment was not covered on a current cost basis) and the shares fell 17p to 171p yesterday. However, there are apparently no more big acquisitions in the offing, and a prospective yield of over 10 per cent ex rights will be enough to keep shareholders sweet for the time being.

The U.S. authorities' plan to sell 1.6m. ozs of gold over the next six months is not going to solve the problem of the chronic trade deficit. The \$300m. or so that will be raised is peanuts in relation to a deficit that has been averaging \$860m. a week so far this year. However, the move had a powerful psychological impact on the dollar.

The amounts involved may not be large but at least the U.S. authorities appear to be doing something about their deficit at last, and the apparent tightening of the Fed Funds rate is also helping the U.S. currency. Since the beginning of April the dollar has appreciated by close to 8 per cent against the Swiss franc and 3.5 per cent against the D-mark.

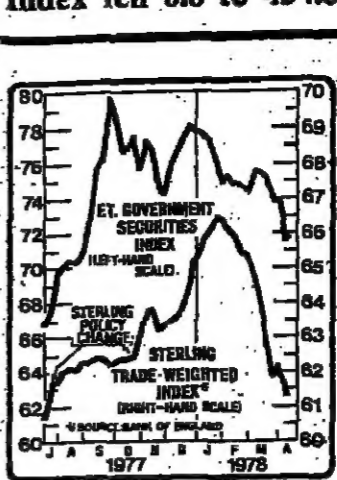
The resurgence in foreign confidence in the dollar has helped to fuel the recovery on Wall Street which by lunchtime yesterday had put another ten points on the Dow Jones.

For the U.K. authorities the recovery in the dollar could not have come at a more awkward time since it has tended to accentuate the weakness of sterling—it fell nearly two cents yesterday—when the Government Broker is wanting to sell stock. The long tap was exhausted yesterday but by the close, prices of long dated stock were lower. The authorities will be anxious to announce at least one, and possibly two, new tap stocks to-day but they will have to keep a weather-eye on sterling.

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months. In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

Index fell 6.8 to 454.8



Yesterday had put another ten points on the Dow Jones.

For the U.K. authorities the recovery in the dollar could not have come at a more awkward time since it has tended to accentuate the weakness of sterling—it fell nearly two cents yesterday—when the Government Broker is wanting to sell stock.

The long tap was exhausted yesterday but by the close, prices of long dated stock were lower. The authorities will be anxious to announce at least one, and possibly two, new tap stocks to-day but they will have to keep a weather-eye on sterling.

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

In the end, even after restating the half-yearly figures to take account of year-end adjustments and exchange rates, July-December contributed only £25m. against £32m. for January-June. On a current cost basis, too, operating profits eased off sharply in the second half, progressing only from £19m. at the interim stage to £22m. for the full year.

Strikes in the U.K. are said to have cost some £7m., while tyre margins were heavily eroded—this division produced only a third of operating profit against half in 1976. But there was a degree of growth

At £57m. pre-tax Dunlop's 1977 profits are in line with downgraded expectations, but the group does not disguise its disappointment. At the time of the rights issue last May the Board forecast "good progress" after the achievement of £72m. for 1976, and in September the half-time figure of £31.6m. was accompanied by an indication of a "moderate improvement" in the second six months.

## Weather

U.K. TODAY

SHOWERS, frequent in the North and East. London, E. Anglia, E. S.E., Cent. S. and Cent. N. England, Midlands.

Sunny with showers. Max. 13C (55F). Channel Islands, S.W. England, S. Wales.

Bright or sunny. Max. 13C (55F). N.E. England, Borders.

Bright with showers. Max. 11C (52F). N. Wales, N.W. England, Lakes, Isle of Man, S.W. Scotland, N. Ireland.

Bright with showers later. Max. 11C (52F). N.E. and N.W. Scotland, Cent. Highlands, Orkney.

Cloudy with showers. Max. 10C (50F). Shetland.